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# *Public Administration Review*



THE JOURNAL OF THE AMERICAN SOCIETY  
FOR PUBLIC ADMINISTRATION

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# Public Administration Review

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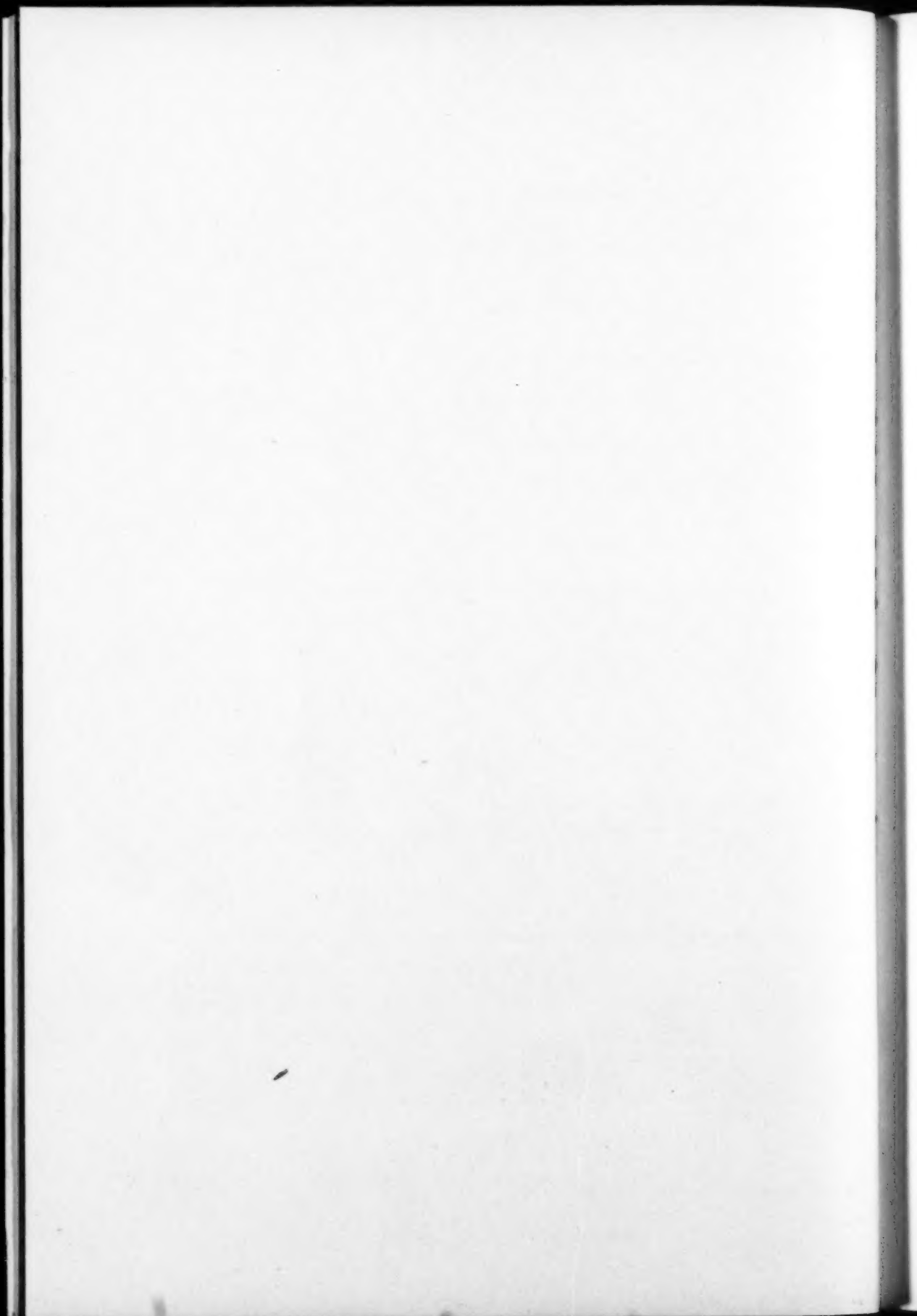
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*Public Administration Review* is intended to promote the exchange of ideas among public officials and students of administration. The various views of public policy and public administration expressed herein are the private opinions of the authors; they do not necessarily reflect the official views of the agencies for which they work or the opinions of the editors of this journal.

# The Science of Public Administration: Three Problems

By ROBERT A. DAHL

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THE effort to create a science of public administration has often led to the formulation of universal laws or, more commonly, to the assertion that such universal laws *could* be formulated for public administration.<sup>1</sup> In an attempt to make the science of public administration analogous to the natural sciences, the laws or putative laws are stripped of normative values, of the distortions caused by the incorrigible individual psyche, and of the presumably irrelevant effects of the cultural environment. It is often implied that "principles of public administration" have a universal validity independent not only of moral and political ends, but of the frequently nonconformist personality of the individual, and the social and cultural setting as well.

Perhaps the best known expression of this kind is that of W. F. Willoughby. Although he refused to commit himself as to the propriety of designating administration as a science, Willoughby nevertheless asserted that "in administration, there are certain fundamental principles of general application analogous to those characterizing any science. . . ."<sup>2</sup> A more recent statement, and evidently an equally influ-

ential one, is L. Urwick's contention that "there are certain principles which govern the association of human beings *for any purpose*, just as there are certain engineering principles which govern the building of a bridge."<sup>3</sup>

Others argue merely that it is possible to discover general principles of wide, although not necessarily of universal validity.<sup>4</sup> Surely this more modest assessment of the role of public administration as a study is not, as an abstract statement, open to controversy. Yet even the discovery of these more limited principles is handicapped by the three basic problems of values, the individual personality, and the social framework.

## *Public Administration and Normative Values*

THE first difficulty of constructing a science of public administration stems from the frequent impossibility of excluding normative considerations from the problems of public administration. Science as such is not concerned with the discovery or elucidation of normative values; indeed, the doctrine is generally, if not quite universally, accepted that science *cannot* demonstrate moral values, that science cannot construct a bridge across the great gap from "is" to "ought." So long as the naturalistic fallacy is a stumbling block to philosophers, it must likewise impede the progress of social scientists.

Much could be gained if the clandestine

<sup>1</sup> See, for example, F. Merson, "Public Administration: A Science," 1 *Public Administration* 220 (1923); B. W. Walker Watson, "The Elements of Public Administration, A Dogmatic Introduction," 10 *Public Administration* 397 (1932); L. Gulick, "Science, Values and Public Administration," *Papers on the Science of Administration*, ed. by Gulick & Urwick, (Institute of Public Administration, 1937); Cyril Renwick, "Public Administration: Towards a Science," *The Australian Quarterly* (March 1944), p. 73.

<sup>2</sup> *Principles of Public Administration* (The Brookings Institution, 1927), Preface, p. ix.

<sup>3</sup> See fn. 12, *infra*, for the full quotation and citation.

<sup>4</sup> This I take to be Professor Leonard D. White's position. See his "The Meaning of Principles in Public Administration," in *The Frontiers of Public Administration* (University of Chicago Press, 1936), pp. 13-25.

smuggling of moral values into the social sciences could be converted into open and honest commerce. Writers on public administration often assume that they are snugly insulated from the storms of clashing values; usually, however, they are most concerned with ends at the very moment that they profess to be least concerned with them. The doctrine of efficiency is a case in point; it runs like a half-visible thread through the fabric of public administration literature as a dominant goal of administration. Harvey Walker has stated that "the objective of administration is to secure the maximum beneficial result contemplated by the law with the minimum expenditure of the social resources."<sup>6</sup> The term "social resources" is sufficiently ambiguous to allow for almost any interpretation, but it suggests that the general concept involved is one of maximizing "output" and minimizing "cost." Likewise, many of the promised benefits of administrative reorganization in state governments are presumed to follow from proposed improvements in "efficiency in operation." And yet, as Charles Hyneman has so trenchantly observed, there are in a democratic society other criteria than simple efficiency in operation.<sup>6</sup>

Luther Gulick concedes that the goal of efficiency is limited by other values.

In the science of administration, whether public or private, the basic "good" is efficiency. The fundamental objective of the science of administration is the accomplishment of the work in hand with the least expenditure of man-power and materials. Efficiency is thus axiom number one in the value scale of administration. This brings administration into apparent conflict with certain elements of the value scale of politics, whether we use that term in its scientific or in its popular sense. But both public administration and politics are branches of political science, so that we are in the end compelled to mitigate the pure concept of efficiency in the light of the value scale of politics and the social order.<sup>7</sup>

He concludes, nevertheless, "that these interferences with efficiency [do not] in any way eliminate efficiency as the fundamental value upon which the science of administration may

be erected. They serve to condition and to complicate, but not to change the single ultimate test of value in administration."<sup>8</sup>

It is far from clear what Gulick means to imply in saying that "interferences with efficiency" caused by ultimate political values may "condition" and "complicate" but do not "change" the "single ultimate test" of efficiency as the goal of administration. Is efficiency the supreme goal not only of private administration, but also of public administration, as Gulick contends? If so, how can one say, as Gulick does, that "there are . . . highly inefficient arrangements like citizen boards and small local governments which may be necessary in a democracy as educational devices"? Why speak of efficiency as the "single ultimate test of value in administration" if it is not ultimate at all—if, that is to say, in a conflict between efficiency and "the democratic dogma" (to use Gulick's expression) the latter must prevail? Must this dogma prevail only because it has greater political and social force behind it than the dogma of efficiency; or ought it to prevail because it has, in some sense, greater value? How can administrators and students of public administration discriminate between those parts of the democratic dogma that are so strategic they ought to prevail in any conflict with efficiency and those that are essentially subordinate, irrelevant, or even false intrusions into the democratic hypothesis? What is efficiency? Belsen and Dachau were "efficient" by one scale of values. And in any case, why is efficiency the ultimate test? According to what and whose scale of values is efficiency placed on the highest pedestal? Is not the worship of efficiency itself a particular expression of a special value judgment? Does it not stem from a mode of thinking and a special moral hypothesis resting on a sharp distinction between means and ends?

The basic problems of *public* administration as a discipline and as a potential science are much wider than the problems of mere *administration*. The necessarily wider preoccupation of a study of *public* administration, as contrasted with *private* administration, inevitably enmeshes the problems of public

<sup>6</sup> *Public Administration* (Farrar & Rinehart, 1937), p. 8.

<sup>7</sup> "Administrative Reorganization," 1 *The Journal of Politics* 62-65 (1939).

<sup>8</sup> *Op. cit.*, pp. 192-93.

<sup>8</sup> *Op. cit.*, p. 193.



administration in the toils of ethical considerations. Thus the tangled question of the right of public employees to strike can scarcely be answered without a tacit normative assumption of some kind. A pragmatic answer is satisfactory only so long as no one raises the question of the "rights" involved. And to resolve the question of rights merely by reciting *legal* norms is to beg the whole issue; it is to confess that an answer to this vital problem of public personnel must be sought elsewhere than with students of public administration. Moreover, if one were content to rest one's case on legal rights, it would be impossible to reconcile in a single "science of public administration" the diverse legal and institutional aspects of the right to strike in France, Great Britain, and the United States.

The great question of responsibility, certainly a central one to the study of public administration once it is raised above the level of academic disquisitions on office management, hinges ultimately on some definition of ends, purposes, and values in society. The sharp conflict of views on responsibility expressed several years ago by Carl Friedrich and Herman Finer resulted from basically different interpretations of the nature and purposes of democratic government. Friedrich tacitly assumed certain values in his discussion of the importance of the bureaucrat's "inner check" as an instrument of control. Finer brought Friedrich's unexpressed values into sharp focus and in a warm criticism challenged their compatibility with the democratic faith.<sup>9</sup>

It is difficult, moreover, to escape the conclusion that much of the debate over delegated legislation and administrative adjudication, both in this country and in England, actually arises from a concealed conflict in objectives. Those to whom economic regulation and control are anathema have with considerable con-

sistency opposed the growth of delegated legislation and the expansion of the powers of administrative tribunals—no doubt from a conviction that previously existing economic rights and privileges are safer in the courts than in administrative tribunals; whereas those who support this expansion of administrative power and techniques generally also favor a larger measure of economic regulation and control. Much of the debate that has been phrased in terms of means ought more properly to be evaluated as a conflict over general social goals.

One might justifiably contend that it is the function of a science of public administration, not to determine ends, but to devise the best means to the ends established by those agencies entrusted with the setting of social policy. The science of public administration, it might be argued, would be totally nonnormative, and its doctrines would apply with equal validity to any regime, democratic or totalitarian, once the ends were made clear. "Tell me what you wish to achieve," the public administration scientist might say, "and I will tell you what administrative means are best designed for your purposes." Yet even this view has difficulties, for in most societies, and particularly in democratic ones, ends are often in dispute; rarely are they clearly and unequivocally determined. Nor can ends and means ever be sharply distinguished, since ends determine means and often means ultimately determine ends.<sup>10</sup>

The student of public administration cannot avoid a concern with ends. What he *ought* to avoid is the failure to make explicit the ends or values that form the groundwork of his doctrine. If purposes and normative considerations were consistently made plain, a net gain to the science of public administration would result. But to refuse to recognize that the study of public administration must be founded on some clarification of ends is to perpetuate the gobbledygook of science in the area of moral purposes.

A science of public administration might proceed, then, along these lines:

1. Establishing a basic hypothesis. A nonnormative

<sup>9</sup> See Aldous Huxley's discussion in *Ends and Means* (Harper & Bros., 1937), and Arthur Koestler, *The Yogi and the Commissar* (Macmillan Co., 1945).

<sup>10</sup> C. J. Friedrich, "Public Policy and the Nature of Administrative Responsibility," in *Public Policy* (Harvard University Press, 1940); Herman Finer, "Administrative Responsibility in Democratic Government," 1 *Public Administration Review* 335 (1940-41). See also Friedrich's earlier formulation, which touched off the dispute, "Responsible Government Service under the American Constitution," in *Problems of the American Public Service* (McGraw-Hill Book Co., 1935); and Finer's answer to Friedrich in 51 *Political Science Quarterly* 582 (1936).

science of public administration might rest on a basic hypothesis that removed ethical problems from the area covered by the science. The science of public administration would begin where the *basic hypothesis* leaves off. One could quarrel with the moral or metaphysical assumptions in the basic hypothesis; but all normative argument would have to be carried on at that level, and not at the level of the science. The science, as such, would have no ethical content.

Can such a basic hypothesis be created? To this writer the problem appears loaded with enormous and perhaps insuperable difficulties; yet it is unlikely that a science of public administration will ever be possible until this initial step is taken.

2. *Stating ends honestly.* Some problems of the public services, like that of responsibility, evidently cannot be divorced from certain ends implied in the society served by the public services. If this is true, there can never be a universal science of public administration so long as societies and states vary in their objectives. In all cases where problems of public administration are inherently related to specific social ends and purposes, the most that can be done is to force all normative assumptions into the open, and not let them lie half concealed in the jungle of fact and inference to slaughter the unwary.

#### *Public Administration and Human Behavior*

A SECOND major problem stems from the inescapable fact that a science of public administration must be a study of certain aspects of human behavior. To be sure, there are parts of public administration in which man's behavior can safely be ignored; perhaps it is possible to discuss the question of governmental accounting and auditing without much consideration of the behavior patterns of governmental accountants and auditors. But most problems of public administration revolve around human beings; and the study of public administration is therefore essentially a study of human beings as they have behaved, and as they may be expected or predicted to behave, under certain special circumstances. What marks off the field of public administration from psychology or sociology or political institutions is its concern with *human behavior in the area of services performed by governmental agencies*.<sup>11</sup>

<sup>11</sup> See Ernest Barker's excellent and useful distinctions between state, government, and administration, in *The Development of Public Services in Western Europe, 1860-1930* (Oxford University Press, 1944), p. 3. Administration "is the sum of persons and bodies who are engaged, under the direction of government, in discharging the ordinary public services which must be rendered daily if the system of law and duties and rights is to be

This concern with human behavior greatly limits the immediate potentialities of a science of public administration. First, it diminishes the possibility of using experimental procedures; and experiment, though perhaps not indispensable to the scientific method, is of enormous aid. Second, concern with human behavior seriously limits the uniformity of data, since the datum is the discrete and highly variable man or woman. Third, because the data concerning human behavior constitute an incredibly vast and complex mass, the part played by the preferences of the observer is exaggerated, and possibilities of independent verification are diminished. Fourth, concern with human action weakens the reliability of all "laws of public administration," since too little is known of the mainsprings of human action to insure certitude, or even high probability, in predictions about man's conduct.

All these weaknesses have been pointed out so often in discussing the problems of the social sciences that it should be unnecessary to repeat them here. And yet many of the supposed laws of public administration and much of the claim to a science of public administration derive from assumptions about the nature of man that are scarcely tenable at this late date.

The field of organizational theory serves as an extreme example, for it is there particularly that the nature of man is often lost sight of in the interminable discussions over idealized and abstract organizational forms. In this development, writers on public administration have been heavily influenced by the rational character that capitalism has imposed on the organization of production, and have ignored the irrational qualities of man himself.

Capitalism, especially in its industrial form, was essentially an attempt to organize production along rational lines. In the organization of the productive process, the capitalistic entrepreneur sought to destroy the old restrictive

duly 'served.' Every right and duty implies a corresponding 'service'; and the more the State multiplies rights and duties, the more it multiplies the necessary services of its ministering officials." See also Leon Duguit, *Law in the Modern State* (B. W. Huebsch, 1919), Ch. II.

practices and standards of feudalism and mercantilism; to rid the productive process of the inherited cluster of methods and technics that characterized the guilds and medieval craftsmen; in short, to organize production according to rational rather than traditional concepts. Combined with a new acquisitive ideal, this rational approach to production transformed not only the whole economic process but society itself. The rapid growth of mechanization, routine, and specialization of labor further increased the technically rational quality of capitalist production. It was perhaps inevitable that concepts should arise which subordinated individual vagaries and differences to the ordered requirements of the productive process: for it was this very subordination that the replacement of feudal and mercantilist institutions by capitalism had accomplished. The organization (though not the control) of production became the concern of the engineer; and because the restrictive practices authorized by tradition, the protective standards of the guilds, the benevolent regulations of a mercantilist monarchy, and even the non-acquisitive ideals of the individual had all been swept away, it was actually feasible to organize production without much regard for the varying individual personalities of those in the productive process. The productive process, which to the medieval craftsman was both a means and an end in itself, became wholly a means.

Ultimately, of course, men like Taylor provided an imposing theoretical basis for regarding function, based on a logical distribution and specialization of labor, as the true basis of organization. Men like Urwick modified and carried forward Taylor's work, and in the process have tremendously influenced writers on public administration. Urwick, so it must have appeared, provided a basis for a genuine science of administration. "There are principles," he wrote, "*which should govern arrangements for human association of any kind. These principles can be studied as a technical question, irrespective of the purpose of the enterprise, the personnel composing it, or any constitutional, political, or social theory underlying its creation.*"<sup>12</sup> And again, "Whatever

<sup>12</sup> L. Urwick, "Organization as a Technical Problem," *Papers on the Science of Administration*, p. 49. (Italics

the motive underlying persistence in bad structure it is always more hurtful to the greatest number than good structure."<sup>13</sup>

Sweeping generalizations such as these gave promise of a set of "universal principles": i.e., a science. American students of public administration could not fail to be impressed.

Aside from the fact that Urwick ignored the whole question of ends, it is clear that he also presupposed (though he nowhere stated what sort of human personality he *did* presuppose) an essentially rational, amenable individual; he presupposed, that is to say, individuals who would accept logical organization and would not (for irrelevant and irrational reasons) rebel against it or silently supersede it with an informal organization better suited to their personality needs. Urwick must have supposed this. For if there is a large measure of irrationality in human behavior, then an organizational structure formed on "logical" lines may in practice frustrate, anger, and embitter its personnel. By contrast, an organization not based on the logic of organizational principles may better utilize the peculiar and varying personalities of its members. Is there any evidence to suggest that in such a case the "logical" organization will achieve its purposes in some sense "better" or more efficiently than the organization that adapts personality needs to the purposes of the organization?<sup>14</sup> On what

added.) See also his "Executive Decentralisation with Functional Co-ordination," 13 *Public Administration* 344 (1935), in which he sets forth "some axioms of organisation," among others that "there are certain principles which govern the association of human beings for any purpose, just as there are certain engineering principles which govern the building of a bridge. Such principles should take priority of all traditional, personal or political considerations. If they are not observed, co-operation between those concerned will be less effective than it should be in realising the purpose for which they have decided to co-operate. There will be waste of effort." (Italics added.) See also his criticisms of the "practical man fallacy," p. 346.

<sup>13</sup> *Ibid.*, p. 85.

<sup>14</sup> See John M. Gaus's excellent definitions: "Organization is the arrangement of personnel for facilitating the accomplishment of some agreed purpose through the allocation of functions and responsibilities. It is the relating of efforts and capacities of individuals and groups engaged upon a common task in such a way as to secure the desired objective with the least friction and the most satisfaction to those for whom the task is done and those engaged in the enterprise. . . . Since



kind of evidence are we compelled to assume that the rationality of organizational structure will prevail over the irrationality of man?

Patently the contention that one system of organization is more rational than another, and therefore better, is valid only (a) if individuals are dominated by reason or (b) if they are so thoroughly dominated by the technical process (as on the assembly line, perhaps) that their individual preferences may safely be ignored. However much the latter assumption might apply to industry (a matter of considerable doubt), clearly it has little application to public administration, where technical processes are, on the whole, of quite subordinate importance. As for the first assumption, it has been discredited by all the findings of modern psychology. The science of organization had learned too much from industry and not enough from Freud.

The more that writers on public administration have moved from the classroom to the administrator's office, the more Urwick's universal principles have receded. As early as 1930, in a pioneering work, Harold Lasswell described the irrational and unconscious elements in the successful and unsuccessful administrator.<sup>15</sup> Meanwhile, experiments in the Hawthorne plant of Western Electric Company were indicating beyond doubt that individual personalities and social relationships had great effects even on routinized work in industry. Increased output was the result of "the organization of human relations, rather than the organization of technics."<sup>16</sup> Urwick had said (with little or no supporting evi-

dence): "The idea that organizations should be built up round and adjusted to individual idiosyncracies, rather than that individuals should be adapted to the requirements of sound principles of organization, is . . . foolish. . . ." The Hawthorne experiment demonstrated, on the contrary, that ". . . no study of human situations which fails to take account of the non-logical social routines can hope for practical success."<sup>17</sup>

In 1939, Leonard White seriously qualified the principle of subordinating individuals to structure by adding the saving phrase of the neo-classical economists: "in the long run." "To what extent," he said, "it is desirable to rearrange structure in preference to replacing personnel is a practical matter to be determined in the light of special cases. In the long run, the demands of sound organization require the fitting of personnel to it, rather than sacrificing normal organizational relationships to the needs or whims of individuals."<sup>18</sup> In the same year, Macmahon and Millett went far beyond the customary deductive principles of public administration theory by making an actual biographical study of a number of federal administrators.<sup>19</sup> In the most recent text on public administration, the importance of personality is frankly admitted. ". . . administrative research," say the authors, "does not

organization consists of people brought into a certain relationship because of a humanly evolved purpose, it is clear that it should be flexible rather than rigid. There will be constant readjustments necessary because of personalities and other natural forces and because of the unpredicted and unpredictable situations confronted in its operations." "A Theory of Organization in Public Administration," in *The Frontiers of Public Administration*, pp. 66-67.

<sup>15</sup> *Psychopathology and Politics* (University of Chicago Press, 1930), Ch. 8 "Political Administrators."

<sup>16</sup> L. J. Henderson, T. N. Whitehead, and Elton Mayo, "The Effects of Social Environment," in *Papers on the Science of Administration*, op. cit., p. 149. It is worth noting that this essay properly interpreted contradicts the implicit assumptions of virtually every other essay in that volume; and it is, incidentally, the only wholly empirical study in the entire volume.

<sup>17</sup> Urwick, op. cit., p. 85, and Henderson, et al., p. 155. Urwick has set up a false dilemma that makes his choice more persuasive. Actually, the choice is not between (a) wholly subordinating organizational structure to individual personalities, which obviously might lead to chaos or (b) forcing all personalities into an abstractly correct organizational structure which might (and often does) lead to waste and friction. There is a third choice, (c) employing organizational structure and personalities to the achievement of a purpose. By excluding purpose, Urwick has, in effect, set up organization as an end in itself. An army may be organized more efficiently (according to abstract organizational principles) than the political structure of a democratic state, but no one except an authoritarian is likely to contend that it is a superior organization—except for the purposes it is designed to achieve. Yet once one admits the element of purpose, easy generalizations about organizational principles become difficult if not impossible; and the admission presupposes, particularly in the case of public organizations, a clear statement of ends and purposes.

<sup>18</sup> Leonard White, *Introduction to the Study of Public Administration* (Macmillan Co., 1939), p. 38.

<sup>19</sup> A. W. Macmahon and J. D. Millett, *Federal Administrators* (Columbia University Press, 1939).

seek its goal in the formulation of mechanical rules or equations, into which human behavior must be molded. Rather, it looks toward the systematic ordering of functions and human relationships so that organizational decisions can and will be based upon the certainty that each step taken will actually serve the purpose of the organization as a whole."<sup>20</sup> And one whole chapter of this text is devoted to informal organizations—the shadow relationships that frequently dominate the formal structure of the organization.

Thus by a lengthy and circumspect route, man has been led through the back door and readmitted to respectability. It is convenient to exile man from the science of public administration; it is simpler to forget man and write with "scientific" precision than to remember him and be cursed with his maddening unpredictability. Yet his exclusion is certain to make the study of public administration sterile, unrewarding, and essentially unreal.

If there is ever to be a science of public administration it must derive from an understanding of man's behavior in the area marked off by the boundaries of public administration. This area, to be sure, can never be clearly separated from man's behavior in other fields; all the social sciences are interdependent and all are limited by the basic lack of understanding of man's motivations and responses. Yet the ground of peculiar concern for a prospective science of public administration is that broad region of services administered by the government; until the manifold motivations and actions in this broad region have been explored and rendered predictable, there can be no science of public administration.

It is easier to define this area in space than in depth. One can arbitrarily restrict the prospective science of public administration to a certain region of human activity; but one cannot say with certainty how deeply one must mine this region in order to uncover its secrets. Does concern with human behavior mean that the researcher in public administration must be a psychiatrist and a sociologist?

<sup>20</sup> Fritz Morstein Marx, ed., *Elements of Public Administration* (Prentice-Hall, 1946), p. 49. (Italics added.)

Or does it mean rather that in plumbing human behavior the researcher must be capable of using the investigations of the psychiatrist and sociologist? The need for specialization—a need, incidentally, which science itself seems to impose on human inquiry—suggests that the latter alternative must be the pragmatic answer.

Development of a science of public administration implies the development of a science of man in the area of services administered by the public. No such development can be brought about merely by the constantly reiterated assertion that public administration is already a science. We cannot achieve a science by creating in a mechanized "administrative man" a modern descendant of the eighteenth century's rational man, whose only existence is in books on public administration and whose only activity is strict obedience to "universal laws of the science of administration."

#### *Public Administration and the Social Setting*

IF WE KNOW precious little about "administrative man" as an individual, perhaps we know even less about him as a social animal. Yet we cannot afford to ignore the relationship between public administration and its social setting.

No anthropologist would suggest that a social principle drawn from one distinct culture is likely to be transmitted unchanged to another culture; Ruth Benedict's descriptions of the Pueblo Indians of Zuñi, the Melanesians of Dobu, and the Kwakiutl Indians of Vancouver Island leave little doubt that cultures can be integrated on such distinctly different lines as to be almost noncomparable.<sup>21</sup> If the nation-states of western civilization by no means possess such wholly contrasting cultures as the natives of Zuñi, Dobu, and Vancouver Island, nevertheless few political scientists would contend that a principle of political organization drawn from one nation could be adopted with equal success by another; one would scarcely argue that federalism has everywhere the same utility or that the unitary state would be equally viable in Britain and the United States or that the American

<sup>21</sup> *Patterns of Culture* (Houghton Mifflin Co., 1934).

presidential system would operate unchanged in France or Germany.

There should be no reason for supposing, then, that a principle of public administration has equal validity in every nation-state, or that successful public administration practices in one country will necessarily prove successful in a different social, economic, and political environment. A particular nation-state embodies the results of many historical episodes, traumas, failures, and successes which have in turn created peculiar habits, mores, institutionalized patterns of behaviour, *Weltanschauungen*, and even "national psychologies."<sup>22</sup> One cannot assume that public administration can escape the effects of this conditioning; or that it is somehow independent of and isolated from the culture or social setting in which it develops. At the same time, as value can be gained by a comparative study of government based upon a due respect for differences in the political, social, and economic environment of nation-states, so too the comparative study of public administration ought to be rewarding. Yet the comparative aspects of public administration have largely been ignored; and as long as the study of public administration is not comparative, claims for "a science of public administration" sound rather hollow. Conceivably there might be a science of American public administration and a science of British public administration and a science of French public administration; but can there be "a science of public administration" in the sense of a body of generalized principles independent of their peculiar national setting?

Today we stand in almost total ignorance of the relationship between "principles of public administration" and their general setting. Can it be safely affirmed, on the basis of existing knowledge of comparative public administration, that there are *any* principles independent of their special environment?

The discussion over an administrative class in the civil service furnishes a useful example of the difficulties of any approach that does

not rest on a thorough examination of developmental and environmental differences. The manifest benefits and merits of the British administrative class have sometimes led American students of public administration to suggest the development of an administrative class in the American civil service; but proposals of this kind have rarely depended on a thorough comparison of the historical factors that made the administrative class a successful achievement in Britain, and may or may not be duplicated here. Thus Wilmerding has virtually proposed the transfer to the United States of all the detailed elements in the British civil service; although he does not explicitly base his proposals on British experience except in a few instances, they follow British practices with almost complete fidelity.<sup>23</sup> White has likewise argued for the creation of an "administrative corps" along the lines of the British administrative class. He has suggested that reform of the civil service in Britain and creation of an administrative class were accomplished in little more than two generations; profiting by British experience, he argues, we ought to be able to accomplish such a reform in even shorter time.<sup>24</sup> Since the question of an administrative class is perhaps the outstanding case where American writers on public administration have employed the comparative method to the extent of borrowing from foreign experience, it is worthy of a brief analysis to uncover some of the problems of a comparative "science of public administration." For it throws into stark perspective the fundamental difficulties of drawing universal conclusions from the institutions of any

<sup>22</sup> Lucius Wilmerding, Jr., *Government by Merit* (McGraw-Hill Book Co., 1935).

<sup>23</sup> "The British civil service, which the whole world now admires, went through nearly twenty years of transition before its foundations even were properly laid. It went through another twenty years of gradual adjustment before the modern service as we know it today was fully in operation. . . . In the light of British experience, and by taking advantage of modern knowledge about large-scale organization, we can easily save the twenty years in which the British were experimenting to find the proper basis for their splendid service. We shall, however, need ten years of steady growth, consciously guided and planned, to put a new administrative corps into operation, and probably another ten years before it is completely installed." *Government Career Service* (University of Chicago Press, 1935), p. 8.

<sup>24</sup> See the fragmentary but revealing discussion on national differences in *Human Nature and Enduring Peace* (Third Yearbook of the Society for the Psychological Study of Social Issues) Gardner Murphy, ed. (Houghton Mifflin, 1945).

one country, and at the same time sharply outlines the correlative problem of comparing the institutions of several nations in order to derive general principles out of the greater range of experiences.

The central difficulty of universal generalizations may be indicated in this way: An administrative class based on merit rests upon four conditions. All of these prerequisites were present coincidentally in Britain in the mid-nineteenth century; and none of them is present in quite the same way here.

First of all, an administrative class of the British type rests upon a general political acceptance of the hierarchical idea. This acceptance in Britain was not the product of forty years; it was the outcome of four centuries. It is not too much to say that it was the four centuries during which the public service was the particular prerogative of the upper classes that made a hierarchical civil service structure feasible in Britain. The Tudor monarchy had rested upon a combination of crown power administered under the King by representatives of the upper middle and professional classes in the towns and newly created members of the gentry in the country; Tudor authority was in effect derived from an alliance of King and upper middle classes against the aristocracy. From the Revolution of 1688 until 1832, public service was the special domain of an increasingly functionless aristocracy whose monopoly of public office was tacitly supported by the upper middle classes of the cities. Whatever the Reform Bill of 1832 accomplished in terms of placing the urban oligarchy overtly in office, no one in Britain had many illusions that a change in the hierarchical structure of politics and public service was entailed. The upper middle classes were no more keen than were the landed gentry of the eighteenth century to throw open the doors of public service and politics to "the rabble." Out of this long historic background the idea of an administrative class emerged. The unspoken political premises of the dominant groups in the nation reflected an acceptance of hierarchy in the social, economic, and political structure of Britain; the contention, common in the American scene, that an administrative class is "undemocratic" played no real part in mid-nineteenth century Britain. One

may well question whether it would be so easy to create an administrative class in any society, like the American, where egalitarianism is so firmly rooted as a political dogma; however desirable such a class may be, and however little it may actually violate the democratic ideal, one is entitled to doubt that the overt creation of an administrative elite is a practical possibility in American politics.<sup>25</sup> In any case, the idea must be fitted into the peculiar mores and the special ethos of the United States, and cannot be lightly transferred from Britain to this country.<sup>26</sup>

Second, the administrative class idea rests upon a scholastic system that creates the educated nonspecialist, and a recruiting system that selects him. Too often, the proposal has been made to recruit persons of general rather than specialized training for an "administrative corps" without solving the prior problem of producing such "generalists" in the universities. The British public school system and the universities have long been dominated by the ideal of the educated gentleman; and for centuries they have succeeded admirably in producing the "generalist" mind, even when that mind is nourished on apparently specialized subjects. It is a peculiarly British paradox that persons of high general ability are recruited into the civil service by means of examinations that heavily weight such specialties as classical languages and mathematics. In

<sup>25</sup> Significantly, the most recent study of reform of the American civil service states, "We do not recommend the formation of a specially organized administrative corps for which a special type of selection and training is proposed." *Report of President's Committee on Civil Service Improvement* (Government Printing Office, 1941), p. 57. Instead, the Committee recommends that "all positions whose duties are administrative in nature, in grades CAF-11, P-4, and higher . . . be identified as an occupational group within the existing classification structure." This is a noteworthy step in an attempt to achieve the advantages of an administrative class within the framework of American mores and institutions. It is therefore a great advance over the earlier proposal in the Report of the Commission of Inquiry on Public Service Personnel, *Better Government Personnel* (McGraw-Hill Book Co., 1935), which recommended the outright creation of a distinct administrative class (p. 30).

<sup>26</sup> This was the essential point, stated in more specific terms, of Lewis Meriam's criticism of the administrative corps idea. See his excellent *Public Service and Special Training* (University of Chicago Press, 1936).



so far as this country has an educational ideal (a question on which this writer speaks with considerable trepidation), it appears to be, or to have been, the ideal of the specialist. Much more is involved, too, than a question of education; at base the problem is one of social mores that give the specialist a prestige and a social utility that no person of general education is likely to attain. That the recruiting process has been forced to adapt itself to the educational specialization characteristic of American universities (indeed, one might say of American life) is scarcely astonishing. It would be more astonishing if the Civil Service Commission were able to recruit nonexistent "generalists" to perform unrecognized functions within a corps of practitioners where almost everyone regards himself as a subject-matter specialist.<sup>27</sup>

In the third place, the administrative class idea rests upon the acceptance of merit as the criterion of selection. In Britain this acceptance was no mere accident of an inexplicable twenty-year change in public standards of morality. If patronage disappeared in Britain, it was partly because patronage had ceased to have any real function, whereas efficiency had acquired a new social and political utility. Prior to the nineteenth century, patronage had two vital functions: it provided a place for the sons of the aristocracy who were excluded from inheritance by primogeniture; and it placed in the hands of the King and his ministers a device for guaranteeing, under the limited franchise of the eighteenth century, a favorable House of Commons. Both these factors disappeared during the first decades of the nineteenth century. With the expansion of the electorate after 1832, the monarchy was forced to withdraw from politics, or risk the chance of a serious loss of prestige in an elec-

torate that was now too large to control.<sup>28</sup> Meanwhile, the development of dissolution as a power available to the Prime Minister upon his request from the Crown gave the executive a means of party discipline and control far more effective than the promise of office. Finally, the accession to power of the manufacturing and trading classes by the reforms of 1832 placed a new emphasis on efficiency, both as a means of cutting down public expenses and insuring economies in government, and (especially after 1848) of warding off the revolutionary threat that might develop out of governmental incompetence.<sup>29</sup> All these conditions made possible, and perhaps inevitable, the substitution of merit for patronage. To talk as if reform arose out of some change in public morality, obscure and mysterious in origin but laudable in character, is to miss the whole significance of British reforms. In the present-day politics of the United States, it is not so clear that the utility of patronage has disappeared; under the American system of separation of powers, patronage remains almost as useful as it was under the British constitution of the eighteenth century. And in any case, it is self-evident that the problem here lies in a distinctly different political and social setting from that of Victorian England.

Last, a successful administrative class rests upon the condition that such a group possesses the prestige of an elite; for unless the class has an elite status, it is in a poor position to compete against any other elite for the brains and abilities of the nation. It is one thing to offer a career in a merit service; it is quite another to insure that such a service has enough prestige to acquire the best of the nation's competence. The argument that the mere creation of an administrative class would be sufficient to endow that group with prestige in the United States may or may not be valid; it is certainly invalid to argue that this was the causal sequence in Britain. In assessing the ability of the British civil service to recruit the best products of the universities, one can scarcely overlook the profound signifi-

<sup>27</sup> It is noteworthy that the latest U. S. Civil Service Commission announcement for the junior professional assistant examination (November, 1946) follows the subject-matter specialist concept; junior professional assistants will be recruited in terms of specialties unthinkable in the British administrative class examinations for university graduates. See, by comparison, *Specimen Question Papers for the Reconstruction Competition for Recruitment to (1) The Administrative Class of the Home Civil Service, (2) The Senior Branch of the Foreign Service, (C.S.C. 18)* (H.M. Stationery Office 1946).

<sup>28</sup> See D. Lindsay Keir, *The Constitutional History of Modern Britain 1485-1937* (A. & C. Black, 1945), p. 405.

<sup>29</sup> See J. Donald Kingsley, *Representative Bureaucracy, An Interpretation of the British Civil Service* (Antioch Press, 1944), Ch. III.

cance of the fact that for centuries the public service was one of the few careers into which a member of the aristocracy could enter without loss of prestige. Like the church, the army, and politics, and unlike trade and commerce, public service was a profession in which the aristocracy could engage without violating the mores of the class. Even during the eighteenth century and the first half of the nineteenth, when the burden of incompetence and patronage in the public service was at its heaviest, government was a field into which the social elite could enter without a diminution of prestige, and often enough without even a loss in leisure. Throughout the age of patronage, the British public service succeeded in obtaining some of the best of Britain's abilities.<sup>30</sup> The effect of the reforms after 1853 was to make more attractive a profession that already outranked business and industry in prestige values. In Britain, as in Germany, the psychic income accruing from a career in the civil service more than compensates for the smaller economic income. Contrast this with the United States, where since the Civil War prestige has largely accrued to acquisitive successes. It is small wonder that in the United States the problem of government competition with business for the abilities of the community should be much more acute.

If these remarks about the British administrative class are well founded, then these conclusions suggest themselves:

1. Generalizations derived from the operation of public administration in the environment of one nation-state cannot be universalized and applied to public administration in a different environment. A principle may be applicable in a different framework. But its applicability can be determined only after a study of that particular framework.

<sup>30</sup> Hiram Stout, *Public Service in Great Britain* (University of North Carolina Press, 1938), pp. 25-26, 82-83.

2. There can be no truly universal generalizations about public administration without a profound study of varying national and social characteristics impinging on public administration, to determine what aspects of public administration, if any, are truly independent of the national and social setting. Are there discoverable principles of universal validity, or are all principles valid only in terms of a special environment?

3. It follows that the study of public administration inevitably must become a much more broadly based discipline, resting not on a narrowly defined knowledge of techniques and processes, but rather extending to the varying historical, sociological, economic, and other conditioning factors that give public administration its peculiar stamp in each country.

The relation of public administration to its peculiar environment has not been altogether ignored.<sup>31</sup> Unhappily, however, comparative studies are all too infrequent; and at best they provide only the groundwork. We need many more studies of comparative administration before it will be possible to argue that there are any universal principles of public administration.

#### *In Conclusion*

WE ARE a long way from a science of public administration. No science of public administration is possible unless: (1) the place of normative values is made clear; (2) the nature of man in the area of public administration is better understood and his conduct is more predictable; and (3) there is a body of comparative studies from which it may be possible to discover principles and generalities that transcend national boundaries and peculiar historical experiences.

<sup>31</sup> See, for example, Walter Dorn, "The Prussian Bureaucracy in the Eighteenth Century," 46 *Political Science Quarterly* 403-23 (1931) and 47 *Ibid.*, 75-94, 259-73 (1932); Fritz Morstein Marx, "Civil Service in Germany," in *Civil Service Abroad* (McGraw-Hill Book Co., 1935); John M. Gaus, "American Society and Public Administration," *The Frontiers of Public Administration* (University of Chicago Press, 1936).

# Administrative Interchange: Brussels and Havana

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WHEN efforts at international political cooperation collapsed in 1939, more than two hundred international organizations were engaged in the exchange of ideas and information on problems of government and public administration. Many of these agencies have resumed their activities since the end of the war, and the number of international organizations engaged in this type of work is steadily increasing.

Though many organizations of this nature are active in the United States, there is no single coordinating point for all. The American Committee for the International Union of Local Authorities, however, is conspicuous as the agency most nearly serving to coordinate the various organizations that operate in this country.

The paragraphs that follow are concerned with four of these international organizations: the International Union of Local Authorities, the International Institute of the Administrative Sciences, the International Federation for Housing and Town Planning, and the Inter American Congress of Municipalities. These organizations have already taken important steps toward the full restoration of their pre-war activities. Three of the four are planning meetings within the next year.

Three of these four organizations are world-wide in scope and had a common headquarters at Brussels, Belgium, before the war. The Brussels Center was set up with the aid and assistance of American participants. The fourth organization, the Inter American Congress of Municipalities, deals with the particular problems of government in the Western Hemisphere. It maintains a Secretariat at Ha-

vana, Cuba. It should be emphasized that the Inter American Congress is not a competitor of the Brussels organizations; on the contrary, it is closely related to them.

## *The Brussels Trio to 1940*

THOUGH the three organizations constituting the Brussels Center in 1940 were similar in many respects, each had a separate origin and purpose. Each had its own special activities. Despite this diversity, however, the overall purpose of the Brussels trio was such that effective coordination was secured after 1936 by means of a joint secretariat.

*The International Union of Local Authorities.* One of the organizations operating from the Brussels Center in 1939, the International Union of Local Authorities, resulted from the International Congress of Towns which met in Ghent, Belgium, in 1913. This congress was convened at the instance of the Belgian Union of Towns and met under the auspices of the Belgian national government. Twenty-one national governments, 162 local authorities in twenty-eight countries, and 50 technical and specialized associations were represented at this meeting. During the course of the congress it was proposed that a permanent secretariat be created which should serve as a kind of clearing center on problems of local administration. The proposal was adopted and action was taken to effect permanent organization. World conflict after 1914, however, caused a ten-year interruption in the development of the plans made at the Ghent Congress.

In 1924 the Second International Congress of Towns met in Amsterdam. The organiza-



tion work initiated by the Ghent Congress was completed and the constitution and by-laws of the International Union of Local Authorities were adopted. Active membership was made open to "unions of towns and other local administrative authorities," and by 1939 associations or unions of local government authorities or municipalities in twenty-four countries were active members of the Union. Though the constitution of the Union provided that active membership should generally be based upon the affiliation of national unions of towns in the several countries, there was a proviso that where no association or union of towns existed in any country, or where such associations were not affiliated, local government authorities or municipalities could individually subscribe to the Union. By 1939 nine members of the Union had entered under the terms of this provision, making a total of thirty-three countries in which the Union had affiliates or members.

The International Union was financed by subscriptions from national governments, national unions of cities, and individual local authorities. Subscriptions nominally were based on a schedule related to the population of the cities concerned, but in practice amounted to voluntary donations.

Objectives of the International Union were "to assist all constituent local government institutions and municipalities to acquire information on techniques and systems in the field of municipal administration; to confer with each other through the organization of International Congresses; and the distribution amongst subscribers to the Union of literature and collected data relating to municipal activities in different countries." Some of the means by which the Union has successfully pursued its objectives are:

1. Maintenance of a permanent office in Brussels.
2. Publication of two quarterly journals, *L'Administration Locale* and *Local Government Administration*. The French publication was in the form of loose-leaf pamphlets under various subject headings.
3. Organization of five international congresses and three special conferences between 1924 and 1939.
4. Establishment and maintenance of an extensive library of municipal records in the Brussels office which enabled the secretariat to supply constituent members with specific information on municipal activities.

5. Arranging of tours of inspection to municipal projects for visitors at all the congresses. In addition, the secretariat was often able to arrange for the nationals of one country to visit other countries for the purpose of inspecting and studying municipal techniques and projects.

International congresses of the Union convened, on the average, once in every two or three years. They had two major purposes: first, the comparative study of certain questions which had an international significance; and second, the bringing together of officials and members of local authorities of all kinds, not only to discuss the questions on the agenda of the congress, but also to exchange views on all sorts of problems with which their administrations were concerned. The following are representative of topics discussed at the various prewar congresses: public land ownership policy; metropolitan areas, municipal organization, and state-local relationships; problems of municipally owned public utilities; recruitment and training of local government officers; international standardization of road traffic signals and symbols; and the development of the science of municipal government. In addition to discussion of questions in the general assembly of the congress, it became the practice after 1936 to hold round tables on certain problems which called for special experts. For this purpose a limited number of specialists were invited. These meetings were not set up as committees of the congress, but were special conferences whose work was accessory to that of the congress itself.

Though these congresses and conferences were of great significance, they were not the most important part of the work of the Union. The congresses and conferences met for a week or so on an average of every two or three years. At Brussels, the permanent secretariat functioned the year round. The work of the central office involved the collection and classification, day by day, of information on all matters of interest to administrators and scholars in the field of local government. This collected information, which was systematically built up over a considerable number of years, provided an invaluable source of reference when inquiries were made on particular problems. The work of gathering information included analysis of books and periodicals.

cals and correspondence and conferences with administrators and specialists. Investigations sometimes proceeded from outside requests for information, and sometimes from the initiative of the permanent secretariat in its efforts to keep abreast of current problems and developments in local administration. Results of the investigations of the central office, if of sufficient general interest, were published in the two journals of the Union.

The presiding genius of the International Union of Local Authorities for many years has been Senator Emile Vinck. M. Vinck has been active in Belgian politics over a long period, and for many years has been Vice President of the Belgian Senate. With the German invasion in 1940, M. Vinck was interned and the Union ceased to function as an international organization. The Germans, however, kept the Brussels office open and paid all the staff except M. Vinck and one or two other executive members of the organization. The Nazis apparently planned eventually to incorporate the Union into the propaganda program of the Fourth Reich, but never got around to it. As a result of the vigorous protests of M. Vinck, at any rate, the Germans eventually abandoned all plans to remove the files and records of the Union from Brussels.

M. Vinck made a long visit to the United States of America just before World War II and is remembered by Americans for his admirable command of English and for his wide international understandings. At an age when most men are willing to relax in the light of a long and distinguished career, M. Vinck is vigorously at work in the reconstitution of the International Union of Local Authorities. Those who have observed his work consider M. Vinck one of the ablest international organization executives alive today.

The International Institute of the Administrative Sciences. The second member of the Brussels trio was the International Institute of the Administrative Sciences, an organization that had much to do with the development of the science of public administration. The International Institute was concerned primarily with problems of national government administration.

The Institute was the outgrowth of an in-

ternational congress held in Brussels in 1910 at the instance of several leading Belgian students and thinkers in the field of public administration. Though a permanent commission was constituted at the Brussels meeting, a second congress could not be arranged until after World War I. By 1923, however, activities in the direction of organization were resumed. At a congress in Brussels that year it was decided to establish at the earliest practicable date an international review treating of administration from a scientific point of view. At a fourth congress in Madrid in 1930 it was decided to establish the International Institute of the Administrative Sciences as a permanent body corporate, with headquarters in Brussels. The bureau, the governing body of the Institute, met in Brussels a year later and adopted the statutes of the new organization.

The tasks of the Institute were defined in its statutes as: "(1) promotion of the comparative investigation of experience in the several countries in the field of public administration; (2) development of general principles from these comparative investigations, and their recommendation to the several governments; (3) investigation of such other problems of administrative practice and administrative law as may be of assistance in the development of better public administration." That the Institute was concerned primarily with problems of national government administration may be seen by noting a few of the topics that have been discussed at past congresses—state-local relations; training for the public service; organization of government departments; decentralization of central government service; and the organization of administrative justice.

A series of congresses and conferences and the publication of the *Revue Internationale des Sciences Administratives* constituted the principal prewar activities of the Institute. The *Revue* was founded in 1928 and was published quarterly at Brussels until 1940. Original articles were published in the language of their origin if in French, English, German, or Spanish; other articles were published in French. In addition to the *Revue*, the secretariat of the Institute has published numerous brochures and monographs and members of

its staff have supplied governments with valuable consulting services. All this work was greatly facilitated by the organization's excellent central library.

After the establishment of the Institute the Belgian government made a large appropriation to its central secretariat and provided it with permanent quarters in Brussels. In addition to this aid, it received yearly grants from countries in which national sections of the Institute were organized. By 1936 there were national sections in some twenty countries.

The national sections of the Institute have been significant not merely for their support of the central organization but also in their own right. Everywhere they have been constantly engaged in the investigation of important matters of national concern. They have held frequent national conferences and occasional regional international congresses. Many of them, in their corporate capacities, have had important roles in governmental investigations and special studies. In their individual capacities, leaders of the national sections everywhere have been prominent in the movement for scientific public administration.

No discussion of the International Institute of the Administrative Sciences would be adequate without a word about one or two of its more outstanding figures. The general secretary of the Institute for many years has been M. Edmund Lesoir. M. Lesoir is a distinguished Belgian civil servant who, until his recent retirement, was director of the census office of the Belgian government. He has been active in the affairs of the Institute since its foundation in 1910, and is now reconstituting the central office after its complete demolition as a result of the war. M. Lesoir and M. René Didisheim, who was secretary-treasurer of the Institute in prewar days and the principal member of its staff from the standpoint of organization management and promotion, deserve a great deal of credit for making the International Institute of the Administrative Sciences a strong, effective organization.

*The International Federation for Housing and Town Planning.* The International Federation for Housing and Town Planning was the third member of the Brussels Center. This organization proposed "to promote and coordinate throughout the world the study and

practice of housing and of regional town and country planning and development with a view to securing higher standards of housing, the improvement of towns and cities and a better distribution of population, and to advance the knowledge of, and secure improvements in the practice of the following matters: Housing for all Classes; Housing Costs; Financing of Working-Class Housing; Rural Housing; Abolition of Slums; Housing for Special Groups, such as single or aged persons; the Use of Land; Town and Country Planning; Traffic Problems in Relation to Planning Garden Cities; Decentralization of Industry; City Redevelopment; and the Preservation of Rural Amenities and Beautiful or Historic Buildings."

The beginnings of the Federation, like those of the Union and the Institute, go back to the days just before World War I. It was founded in London in 1913 under the name International Garden Cities and Town Planning Association. The membership of the Federation included individuals, private societies interested in housing and planning, and official agencies engaged in housing construction and management. Within its particular field of interest, the activities of the Federation have been very similar to those of the Union and the Institute. It was financed by individual and organization dues, by proceeds from the sale of its publications, and by revenue from its international meetings.

Beginning with its first postwar Congress, at Brussels in 1919, the name of the organization was changed several times. At that meeting the word "Federation" was substituted for "Association." In 1924 it was again rechristened, this time as the International Federation for Town and Country Planning and Garden Cities.

These variations in title are keys to the changes that were taking place both in the character of the organization and in thought and action in its field. The British Garden Cities and Town Planning Association played the principal part in organizing the Federation. Dedicated to Ebenezer Howard's belief in garden cities as the ideal physical pattern for urban life, the British Association naturally wanted the phrase "garden cities" in the title and also, quite naturally, looked upon

the international organization, in part at least, as a means of spreading the pure gospel to other lands. The substitution of "Federation" for "Association" recognized the growing interest and strength of groups and organizations in several countries. As many of these countries during the 1920's embarked upon sizable programs of urban housing construction, finance, and public aid, these subjects had to be given treatment more nearly equal to that accorded planning and garden city development.

In this evolution, however, the Federation's organization and program lagged somewhat behind the needs that grew out of activities and problems of its agency and individual members. As a result, in 1929 the Federation was split. After the split, the Federation continued to operate from its offices in London and the second organization set up headquarters in Frankfurt on the Main under the name of the International Housing Association.

Very soon, however, it became apparent that neither money nor qualified personnel was available to run two international organizations in the field. It had been difficult enough to make one go successfully. Before long, therefore, conversations were started to explore the possibilities of reunion. In 1935 both organizations held congresses—the Federation in London, the Association in Prague. At both meetings support for consolidation was strong. At Paris in 1937 the associations held a joint meeting and agreed upon the terms of reconsolidation.

Unfortunately by this time the Nazis were in firm control in Germany and were paying considerable attention to international organizations of various kinds as means of national glorification and propaganda. Although this ugly fact dampened enthusiasm at the reunion party, the new Federation started upon a revised and enlarged program with considerable vigor. As a matter of fact, thanks to the watchfulness of Federation stalwarts from several countries the actual Nazi influence was negligible until the war broke out. Meanwhile the Federation chose a new director and moved its headquarters to Brussels as part of the center there. As a member of this team, the Federation's work in publications and consultation reached a new standard of effec-

tiveness and the 1939 Congress in Stockholm, although held in the very shadows of the impending war, was at least the equal of many of its predecessors.

When the German army overran Belgium in the spring of 1940, the Federation, of course, ceased to exist as an international organization. Later the Nazis moved its effects, including a library of about 4,000 volumes, to Stuttgart, Germany. Since the war most of this material has been found. The library was unharmed and is now in the process of being restored to Brussels.

During the thirty-three years of its existence, the Federation has enlisted the support of many remarkable men. Sir Ebenezer Howard and Sir Raymond Unwin, for example, were both Federation presidents. In addition to their own substantial contributions to housing and planning thought and method, they served as links between modern progress in these fields and the work of William Morris and other pioneers in the nineteenth century revolt against the squalor, ugliness, and misery of the black towns of the early industrial age. Others, like Senator Vinck and Mr. Montagu Harris, have been mainstays of the Federation in addition to their activities in the broader program of the International Union of Local Authorities.

From midway in the period between the wars until the present, the Federation's leading figure and most devoted servant has been George L. Pepler, who after twenty-two years as chief town planning inspector of the British Ministry of Health became the principal assistant secretary and chief technical adviser of the Ministry of Town and Country Planning when this new ministry was created in the latter days of the war. Mr. Pepler retired from the civil service in the summer of 1946 but immediately became chief consultant to the planning of the Northeastern Development Area in the British Isles. During the dark days of the war Mr. Pepler took the lead in keeping alive the purpose and spirit of the Federation; and he has been equally active in effecting its revival since the end of the war.

*The Brussels Center.* This brief sketch of the Union, the Institute, and the Federation points out some rather striking similarities in the three organizations. The origin of each



can be traced to the period just preceding World War I. Each was designed to facilitate the interchange of ideas and experience on problems of government and administration. Each was international in scope.

Similarity, in some cases at least, suggests common action, and that was the situation here. In July, 1934, at the instance of Public Administration Clearing House, a committee met in Paris for the purpose of discussing ways and means for promoting greater effectiveness in the international clearance of information and of the results of research in public administration. As a result of this meeting, the International Union of Local Authorities and the International Institute of the Administrative Sciences set up a joint committee on planning and cooperation. Mr. Rowland Egger of the University of Virginia went to Brussels as secretary of the committee in 1936 and 1937 to help plan and establish a joint secretariat for the two organizations. Known as the "Common Services," the joint secretariat began to function in 1936. This organization was in large measure a product of the efforts of Louis Brownlow of Public Administration Clearing House and Guy Moffett of the Spelman Fund of New York. In 1937 the International Federation for Housing and Town Planning joined the Union and the Institute in the undertaking. The duet at Brussels had become a trio.

A corps of full-time staff members handled the work of the center in prewar days. They were supplemented by special collaborators assigned to work with the organization by national unions of cities and national governments. An American collaborator, Donald B. Tweedy, worked at the Brussels Center in 1938 and 1939, assisting in the preparation of the English language publications of the three organizations. He returned to the United States only after the outbreak of war.

Aside from the staff for the internal management of the secretariat, the Brussels Center was divided into four sections for joint services or activities. These were: information and counseling service; research and reference library; publications; and conferences. The plan called for the holding of simultaneous congresses and the joint undertaking of a series of conferences on subjects in which

local and central governments had a common concern. It was in this way that effective inter-organization collaboration was attained. This was the Brussels Center at its height.

#### *American Participation in the Brussels Organizations*

THE various European countries have contributed to the support of the three Brussels organizations directly through their national governments. The English-speaking nations, on the other hand, have not assumed that the support of international organizations of this type is a function of national government. The United States, like Great Britain, has participated in them through the efforts of private individuals and organizations. This lack of national government support has been a considerable handicap to the participation of the English-speaking nations in these programs.

American participation in the three Brussels organizations has varied. The membership of the International Federation for Housing and Town Planning in the United States, for example, consists primarily of individuals and organizations interested in housing and planning. Each member, whatever its character, pays dues directly to the Federation.

In the case of the International Institute of the Administrative Sciences, the situation has been different. The Institute has been made up of national sections which usually receive financial support from the governments of the countries in which they are organized. Since the American Section receives no financial support from the government, its contributions to the Institute have been made possible only by grants from the Spelman Fund of New York. Nevertheless, the American Section has been an important wheel in the affairs of the Institute. Leonard D. White of the University of Chicago is president of the American Section and vice president of the international organization. Other leaders in the movement for scientific public administration who have been prominent in the affairs of the American Section include Louis Brownlow, Luther Gulick, Rowland Egger, Lindsay Rogers, Walter R. Sharp, John A. Fairlie, Guy Moffett, and Henry W. Toll.

In connection with American participation in the International Union of Local Authorities, there has emerged an American Committee for the International Union of Local Authorities composed of representatives of professional, technical, research, and quasi-governmental organizations. The committee's principal professional interest is in the art and science of public administration at an infra-national level—in states, cities, counties, or other administrative divisions of the national state. Its chairman is Louis Brownlow and its secretary Earl D. Mallery, executive director of American Municipal Association. The membership of the Committee consists of representatives from the following organizations:

- American Municipal Association
- American Public Welfare Association
- American Public Works Association
- American Section of International Institute of Administrative Sciences
- American Society for Public Administration
- American Society of Planning Officials
- Bureau of Public Administration, University of California
- Bureau of Public Administration, University of Virginia
- Civil Service Assembly
- Council of State Governments
- Federation of Tax Administrators
- Institute of Public Administration
- International City Managers' Association
- Municipal Finance Officers Association
- National Association of Housing Officials
- National Municipal League
- Public Administration Clearing House
- Public Administration Service
- United States Conference of Mayors

A glance at this membership list demonstrates the broadly inclusive scope of the committee's activity, both general and technical, in connection with the field of local government administration. This scope has enabled the committee successfully to fulfill its implicit purpose—to serve as a focal point for international cultural exchange between public administration organizations in the United States and similar groups in the rest of the world. In accomplishing this purpose the

American Committee has worked principally through two international organizations which are federations of national unions of local government authorities—the International Union of Local Authorities and the Inter American Congress of Municipalities. The American Committee has also served as the working liaison agency between these two international bodies.

It is to the first of these two organizations that the committee owes its somewhat cumbersome name. In 1927 the American Municipal Association became the United States member of the International Union of Local Authorities. In the same year the International City Managers' Association became an affiliate member of the same organization. With the complexity and diversity of local government patterns in the United States, it soon became apparent that the totality of United States municipal interests could be adequately represented in the International Union only by broadening the basis for participation in that body. In 1934, accordingly, the American Committee was established. The Secretariat of the committee is located in the American Municipal Association and the organization is financed by dues paid by committee members. In 1938 the committee was selected as the United States liaison body for the Inter American Congress of Municipalities.

In addition to formal connection with the International Union of Local Authorities and the Inter American Congress of Municipalities, officers of the committee maintain active cooperation with the International Institute of the Administrative Sciences and the International Federation for Housing and Town Planning. At present, the committee also fulfills an advisory function in connection with United States participation in the United Nations Educational, Scientific, and Cultural Organization through its chairman who is a member of the National Commission for UNESCO.

The American Committee for the International Union of Local Authorities has thus been much more than a liaison agency between organizations in this country and the Union. It has had twelve years of experience in the field of international cultural coopera-

tion. During much of that period it has served as the only focal point in this country for international cultural exchange between public administration organizations here and similar groups elsewhere.

### *The Inter American Congress of Municipalities*

A CENTER for the interchange of ideas, experience, and the results of public administration research has grown up in Havana, Cuba, since the organization of the Inter American Congress of Municipalities in 1938. Designed to give special attention to problems of local government in the Americas, this organization is independent of the agencies that constituted the Brussels Center, but has been closely coordinated with them almost from its inception.

The Inter American Congress is a voluntary organization of municipal associations, cities, institutions, and municipal officers in the twenty-one American Republics and the Dominion of Canada. Its origin may be traced to the work of a few outstanding Cuban leaders in the field of local government and public administration. Though the ideas of this group were endorsed by the Fifth International Conference of American states, it remained for the Sixth International Conference to give the "go ahead" in 1928 by resolving, in part:

I. That the First Pan American Congress of Municipalities be organized and carried into effect by the Pan American Union.

II. That the subjects relating to city government and to the systems of urban administration as well as those which directly or indirectly may relate to communal life be incorporated.

Such was the resolution of the Sixth International Conference of American States, but its provisions were slow in being given effect. The organization finally took form in 1938 largely as the result of the work of Guy Moffett of the Spelman Fund, Clifford W. Ham, executive director of American Municipal Association, and Louis Brownlow of Public Administration Clearing House.

The essential purpose of the Inter American Congress is to provide machinery for constant communication among the municipali-

ties and other local authorities of the countries of America, and from time to time to bring together informed and interested persons in meetings of the Congress for the discussion of municipal problems. The First Inter American Congress gathered in Havana in 1938 and was attended by more than four hundred delegates representing municipal institutions of all the American Republics. Another Congress met in Santiago de Chile in 1941. The Third Congress is being planned at the present time, and will be held in Lima, Peru, late in 1947 or early in 1948.

At Havana in 1938 the President of the First Congress, Dr. Antonio Beruff Mendieta, mayor of the host city, was authorized to appoint the Pan American Commission on Intermunicipal Cooperation which would serve as the *ad interim* board of directors of the Congress. The Commission was appointed the following year, and consists of nine members drawn from North, Central, and South America. It is the task of the Commission to continue the contacts which are established among municipal officials at the various congresses and to further the day-by-day interchange of ideas and information among cities to the end that the life of the people of each country may be improved thereby.

In effect, the Pan American Commission serves as a clearing house for information on problems of interest to municipal officers in the Americas and maintains a permanent office in Havana under the direction of Dr. Carlos Morán. Dr. Morán received part of his education in the United States, and is fluent in both Spanish and English. Besides being secretary-treasurer of the Pan American Commission and director of the Havana secretariat, he is corporation counsel of the City of Havana. His work with the Havana Center has enabled him to visit virtually every country in the Americas and to acquire an active acquaintance with the whole of Latin America.

The Havana office handles an ever-increasing amount of correspondence with municipal officers, specialists and technicians, and civic associations. It receives visits from experts and students from all over America. More than one-half the letters normally addressed to the secretariat ask for information. Of invaluable



assistance in meeting these demands on its services is the secretariat's library which now consists of more than 6,000 volumes, the largest single collection of material in the field of municipal government in the Western Hemisphere outside the United States.

Besides its other activities, the Havana Center publishes the *Boletín*, "The Municipal Digest of the Americas." The *Boletín* first appeared in 1940 and had an initial circulation of 1,000. The circulation has been increased to over 3,000, so that the journal now reaches every city in the Western Hemisphere having a population of more than 25,000. As soon as the difficulties of procuring paper are relieved and additional financial support for the Pan American Commission can be arranged it is planned to make the *Boletín* available to all cities of more than 5,000 population.

United States participation in the activities of the Inter American Congress of Municipalities, for the most part, has been through the American Committee for the International Union of Local Authorities. In 1938 the Committee accepted an invitation to take over the direction of United States participation in the First Inter American Congress. A year later the Pan American Commission on Intermunicipal Cooperation named the American Committee as the agency through which organizations in the United States should cooperate with its work. Again in November of 1941 the Committee was selected to serve as the United States agent for the Second Inter American Congress. At that time a contract was entered into by the American Committee with the Office of the Coordinator of Inter American Affairs under terms of which the Office of the Coordinator furnished a substantial sum of money toward the traveling expenses of United States delegates to the Second Congress. This marked the beginning of even greater assistance from the State Department—assistance which has continued to be channeled through the American Committee.

The Pan American Commission for its first four years relied largely for financial support of its routine secretariat functions on a contribution of \$6,000 a year made by the municipality of Havana and the postal franchise granted by the Republic of Cuba. During this same period, however, the larger costs of pro-

motional activity and the costs of arranging meetings and promoting the organization of the commission and its representation in the various American republics—which amounted to even more than the other expenses of the secretariat—were borne by private grants from foundations and other organizations in the United States and by the countries which sponsored the two Congresses.

Beginning in 1943, however, the United States Government, at first through the Office of the Coordinator of Inter-American Affairs and later through the Department of State, began to make annual contributions to the office of the Pan American Commission. By 1945 contributions of various amounts were also being received from municipalities, associations, or national governments in thirteen different American nations.

No attempt will be made at this point to assess or evaluate the work of the Inter American Congress of Municipalities, but some of its more obvious influences require attention. Development of active cooperation among cities and municipal administrations, for example, has progressed in the Western Hemisphere almost simultaneously at both the national and international level. At almost the same time that the Inter American organization has been developing, an upsurge of interest in municipal affairs has led to the creation of a number of national unions of municipalities. In 1938 permanent and active organizations for intermunicipal cooperation on a national scale existed only in Canada, Cuba, Peru, and the United States. Since that time a league, association, union, or federation of municipalities has been developed in ten additional countries. National congresses of municipalities are being held in all of these countries with increasing regularity. In many states where no permanent organization has yet been established, the Pan American Commission maintains liaison with committees engaged in organizing national unions. The success of such committees can be measured by the fact that in spite of having no permanent organization, four nations have already held national municipal congresses, and three have made financial contributions toward the maintenance of the Pan American Commission.

In similar fashion, publication of the *Boletín*

for international circulation seems to have served as a stimulus to innovating like publications at the national level. When the Havana secretariat was set up in 1939 there were but two regularly published journals in the municipal government field in all Latin America. As the result of the stimulation by the Havana secretariat of interest in this field through the circulation of the *Boletín*, fourteen such publications now appear regularly. This provides a notable example of what stimulation from an international center can do for the promotion of decentralized national activity.

Finally, the movement to foster intermunicipal cooperation has been reflected, significantly, in the educational program of certain Latin-American states. Courses in municipal government recently have been initiated in the University of Mexico and in the University of Guayaquil, Ecuador. A more elaborate program, however, was instituted in Havana last year. The city of Havana opened a new Municipal Technological Institute where practical courses in industrial and administrative techniques are given. In the section devoted to technical administrative instruction, there is a Preparatory School of Administration and an Institute of Public Administration. The courses in the institute are on the university level and may be taken separately or as a complete four-semester course. Graduates will be given certificates as Graduates in Public Administration. Through the Pan American Commission on Intermunicipal Cooperation, the mayor and the city of Havana have made available a number of scholarships for study in this school. Scholarships will be awarded to two municipal officials from each state in the Americas.

Relations between the Pan American Commission and the International Union of Local Authorities have always been cordial. In 1939 after the Commission had designated the American Committee for the International Union of Local Authorities as its agent in the United States, an engrossed scroll was dispatched conveying fraternal greetings to Senator Emile Vinck, Secretary-General of the International Union. When Brussels was occupied by the Germans and the secretariat no longer could function, it was natural that the

Pan American Commission, the republic of Cuba, and the city of Havana should invite the Union to set up its headquarters in Havana for the duration of the war. The invitation was accepted, and for a time the International Union and the Inter American secretariat were occupying the same quarters in Havana.

Upon the liberation of Belgium, however, Mr. L. Hill, who had been in charge of the "caretaker" organization at Havana, relinquished his post to Senator Vinck. In his final report to the permanent bureau of the Brussels institution, Mr. Hill paid high tribute to the work being carried on by the Havana secretariat and recommended that the International Union be reorganized on a regional basis, that the Havana secretariat become the center for the Western Hemisphere, that the Brussels secretariat serve the European nations in a similar capacity, and that other regional offices be created in the Far East and in the Southern Hemisphere. The principle of the Hill proposal has been endorsed by the American Committee for the International Union of Local Authorities and by the American members of the permanent bureau of the Union. This resolution also has the tentative approval of the members of the British Committee of the Union, and in all probability will be taken up at the next congress of the International Union of Local Authorities, resulting perhaps in a new era of even closer cooperation between the centers at Brussels and Havana.

#### *Recent Activities of the Brussels Organizations and the Future*

WHILE the recent war may have limited the activities of the Inter American Congress of Municipalities, the Brussels Center ceased to function entirely as a working organization. Hardest hit of all was the International Institute for the Administrative Sciences, for its records and library were removed from Brussels and have not been found. The International Union of Local Authorities and the International Federation for Housing and Town Planning were more fortunate in this respect,<sup>1</sup> and even managed to maintain a

<sup>1</sup> While the library and records of the Union remained intact in Brussels, the effects of the Federation

semblance of organization during the war. For the Union this was in the form of the "caretaker" organization at Havana. In the case of the Federation, Mr. George L. Pepler took the lead in organizing the Inter-Allied Committee for Physical Planning and Reconstruction in London to help keep alive the purpose and spirit of that organization.<sup>2</sup> Naturally the Inter-Allied Committee and the Havana office of the Union had little opportunity for effective action, but these organizations held the fort, symbolically at least, and provided a means for some exchange of ideas and proposals for postwar plans and programs.

Despite the ill fate of the Brussels Center during the war, numerous important steps have already been taken in the direction of reorganization. Each of the agencies that once comprised the Joint Secretariat is showing good signs of full recovery. These indications of rehabilitation are reflected both in the recent activities of the several organizations and in their plans for the future.

The International Union of Local Authorities held its first postwar conference at Brussels from June 21 to 24, 1946. Twelve nations were represented at the meeting, though nineteen had already reaffirmed their affiliation with the Union. The total number of delegates in attendance was 121. Topics discussed by the conference were:

1. Municipal home rule.
2. The role of local government in civic education.
3. Financial and administrative aspects of local government activities in the postwar reconstruction of cities.

Mr. Rowland Egger, who attended the conference as the representative of the American Committee, found that the national reports "were of an extremely high order and evidenced very careful and painstaking preparation, while the work of the general reporters . . . was of an exceptional quality." Proceedings of the conference will be ready for distribution in the near future.

were removed to a suburb of Stuttgart, Germany. These have been found, however, and are in the process of being restored to Brussels.

<sup>2</sup> Most of the committee's members, aside from Pepler and his British associates, were representatives of the governments-in-exile. The United States member was Major George Reed, housing attaché at the American Embassy in London during the war.

It was found at the Brussels meeting that the residue of the Permanent Bureau, the governing body of the Union, was wholly inadequate for present needs. Its membership had last been reconstituted in 1936, and since that time some of its members had become inactive and others had died. An executive committee was therefore agreed upon and will serve the Union until the next congress convenes and officially reorganizes the Permanent Bureau.

In the course of the Brussels conference, the bureau accepted the invitation of the French Government to hold the next congress in Paris in 1947. A small advisory committee was constituted to assist the president and secretary-general of the Union with plans for the Paris Congress and also to aid in the development of a postwar program for the Union. This committee consists of representatives from the United States, Great Britain, The Netherlands, France, and Poland. It began its work at a meeting in Hastings, England, last October. Coleman Woodbury, formerly executive director of the National Association of Housing Officials and currently of the University of Wisconsin, represented the American Committee for the International Union of Local Authorities at the Hastings meeting.

While the International Union was holding its first postwar conference and planning its next congress, the International Institute of the Administrative Sciences was equally active. A regional congress of the Institute was held in Brussels, June 24-25, 1946, and the American Section was represented by Mr. Rowland Egger who had also been a delegate to the conference of the Union. The regional congress of the Institute was a rather small gathering of representatives from Belgium, England, France, Holland, and Switzerland. Discussion centered around the problem of protecting individual liberty in the postwar state and the examination of various means of effecting such protection.

At the termination of the regional congress a group of persons who had, in the past, been concerned with the administrative problems of the Institute met informally to discuss plans for the next congress which, at the invitation of the Swiss Confederation, will meet in Berne this year. The principal topic of this meeting was the establishment of the matters to be discussed at the Berne Congress. After

extended consideration, the following topics were decided upon:

1. The function of the public administration at the end of the war and the experience of the war in administrative matters.
2. The chief of state and the organization of his staff.
3. Participation of civil servants and of their organizations in the management of the administration.
4. The position of local and regional authorities vis-à-vis the central government.

It was further decided that the congress would, in principle, receive only the official reports of the national sections or national committees as a basis for the work of the general reporters and the proceedings of the congress.

Besides preparing for a congress this year, various other plans are being made to revitalize activities of the Institute. It was suggested at Brussels, for example, that the Institute plan, as a matter of policy, to call occasional regional conferences or specialized general international conferences of experts to discuss matters within the general objectives of the Institute. Such a program would be along the lines of the round tables with which the Institute had experimented at several congresses before the war.

The morale of both the staff and membership of the Union and the Institute appears to be excellent. Mr. Egger reports that there has been a tremendous revival of interest in the international clearing of research and of the results of experience at every level of government, as well as a deep-rooted conviction in every quarter that the avenues of international intercourse and cooperation in all sectors and at all levels must be strengthened and expanded. Officers of the Institute who attended the recent Brussels congress are reported to be extremely interested in resuming publication of the *Revue Internationale des Sciences Administratives*. This activity will undoubtedly be revived as soon as the financial condition of the Institute permits.

With a view to expanded and more effective performance, delegates at both the recent meetings in Brussels discussed action looking to the establishment of formal contact with the United Nations Educational, Scientific, and Cultural Organization. Both groups heartily approved the principles of a resolution drawn up by Mr. Herbert Emmerich at London in 1945 which would bring about the

desired interrelationship. It was agreed at both Brussels meetings that the representatives present would enter into negotiations with their respective governments so that united support for this resolution might be effected in the governing body of UNESCO.

It should be recalled at this point that the American Committee for the International Union of Local Authorities already fulfills an advisory function in connection with United States' participation in UNESCO. On August 15, 1946, the assistant secretary of state for public affairs announced a list of fifty organizations which had been invited to name members of the National Commission for UNESCO. The American Committee is one of the organizations listed, and has designated its chairman, Mr. Louis Brownlow, as a member of the commission. This gives the committee an opportunity to put its many years of experience in the field of international cultural cooperation at the disposal of a most important agency of the United Nations.

A few months after the meetings of the Union and the Institute, the International Federation for Housing and Town Planning held its Eighteenth Congress at Hastings, England. The Congress convened on October 7, 1946, and despite difficulties of travel, communication, and finance, was attended by 1,257 delegates from twenty-three nations. The non-British delegation totaled more than 350. Subjects of discussion were:

1. Replanning the centers of cities—including decentralization of population to outlying metropolitan regions and means of implementing the plans.
2. Housing economics—including finance and forms of government assistance.
3. Housing techniques, which emphasized recent developments in building methods, particularly prefabrication.

Mr. Coleman Woodbury attended the Hastings Congress and reports: "The exhibit surpassed, both in size and quality, those of the immediate prewar meetings. In size and enthusiasm the Hastings Congress was a remarkable gathering—a real tribute to the Provisional Committee's labors and to the spirit and determination of planners and housers throughout the world who know from experience that they can learn from each other and who welcomed the first effective lifting of the war's intellectual blackout in a sector now



generally recognized as of real importance to the postwar campaign for sanity and decency in political and economic affairs."

To follow up on this promising start, the Federation's General Council, its chief legislative body, at Hastings authorized and approved the appointment of an interim executive of nine members which is charged with outlining a plan for the Federation's future program, preparing a budget, and taking whatever steps are necessary to advance the Federation's activity and interests in the months immediately ahead. It will report to the council at its next meeting, now scheduled for Paris in June of this year. Mr. Walter H. Blucher, executive director of the American Society of Planning Officials, is the American member of the interim executive. Mr. Pepler is the chairman. Its first meeting was held in Hastings, and in December of last year a second session was held in Brussels.

Not unlike the action of the Union and the Institute, steps have been taken by groups active in the Federation to see what direct cooperation can be established between its secretariat and UNESCO and other specialized agencies of the Economic and Social Council.

Many who are familiar with the work of the Brussels trio have been wondering about the reestablishment of the joint secretariat. Reports from the recent meetings of the Union and the Institute in Brussels indicate that the importance of restoring the common services is assumed in those quarters without debate. Actually the two organizations are currently housed together in the old Union offices. As yet there are no common activities, but there has been little time for activity of any kind since the end of the war. The regional congress at Brussels last summer was the first postwar manifestation of activity on the part of the Institute, just as last summer's conference was the first renewal of operations on the part of the Union. These meetings were scheduled to facilitate participation by constituents of each organization. Much the same thing happened later at Hastings when the permanent bureau of the International Union of Local Authorities scheduled a meeting so that its members could also attend the Eighteenth Congress of the International Federation for Housing and Town Planning. The most recent step in the direction of restoring the com-

mon center was taken when the interim executive of the Federation met at Brussels last December. At that meeting a resolution was adopted which indicates that the Federation will return to Brussels. This was not a decision in favor of restoring the common services, of course, but that would seem to be the logical next step.

In summary, the recent conferences and the projected congresses of the International Union of Local Authorities, the International Federation for Housing and Town Planning, and the International Institute of the Administrative Sciences give a picture of remarkably rapid rehabilitation. Much remains to be done, but the progress already made is important. The joint secretariat has already been partially restored and all the organizations formerly identified with the Brussels Center are seeking close working relations with UNESCO and other United Nations organs.

In another part of the world, the Inter American Congress of Municipalities is steadily expanding its activities. Steps are being taken to secure official recognition for the Congress from the forthcoming International Conference of the American States, and a proposal for developing closer working arrangements with the Brussels organizations by reorganizing the International Union of Local Authorities on a regional basis is currently being considered.

Recent activity on all fronts, therefore, suggests the development of larger and more effective centers for the international clearing of information and experience in the field of government and public administration. This is a tendency with significant implications. These organizations and their respective secretariats have been valuable not only because of the services they render but also because of the dissemination of principles of democratic self-government which inescapably accompanies their activities. Their chief concern has been the welfare of the individual citizen in his individual community and the means of securing his well-being. Finally, these organizations are living monuments, in a sense, to the fact that frontiers are less and less important as we organize common action across them. It is in this light that the real merit of the Brussels and Havana centers should be weighed.

# Perfecting State Administration, 1940-46

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GENERALIZATIONS with respect to the forty-eight states are almost always hazardous, but there seems today to be general agreement that the position of the states in the federal union has been markedly strengthened during the past decade. During the depression years of the thirties, the prestige of state government sank as federal authority expanded and state governors and legislators turned to Washington for instruction and assistance. The further expansion of federal powers during the defense, war, and reconversion periods from 1940 through 1946 was accompanied, however, by the increasing independence of the states from federal tutelage. Discussion of a decade ago concerning the declining position of the states and their replacement by regional governments has given way to an acceptance of the continuing role of the states in the administration of our public affairs.

Without attempting to identify all of the factors which have enhanced the position of the states, their strengthened finances, effective interstate cooperation, particularly through the Council of State Governments and its affiliated associations of state officials, and public reaction against the centralizing trend in the federal government account in large measure for the change. Some of the prestige regained by state government is certainly a consequence of improved state administration. But if the states are to retain their present favorable situation in the federal system, improvements in administrative organization, personnel, and procedure will need to be accelerated in order to keep pace with growing state responsibilities.

The nineteen-forties thus far have not been characterized by reorganizations of state governments as sweeping as those during the twen-

ties and thirties in New York, Virginia, and Minnesota. Nevertheless, major developments in administration have occurred in a number of states, and there has been a discernible trend toward perfecting the machinery of administration in the states generally. Of course, there are contradictions to this general trend. Circumstances differ among the states and not all of their administrative systems move in the same direction and at the same pace. Trends in administration are indicated primarily by developments in those states in which conditions of population and industry provide occasion for large-scale administrative action.

For convenience in discussion, recent developments in state administration may be grouped into four categories:

(1) *consolidation* of related administrative functions; (2) *coordination* of administrative policy and action; (3) *cooperation* among the states in intergovernmental administrative programs; and (4) *control* over administrative procedure by governors, legislatures, and courts. Not included in these categories are noteworthy developments in the administration of legislative assemblies and state judicial systems, significant, however, in relation to primarily nonadministrative aspects of government.

## *Consolidation*

THE reorganization of existing governmental machinery into more coherent administrative patterns during the forties has continued a trend which characterized state government during the two preceding decades. Thoroughgoing general reorganizations of administrative machinery have been exceptional, the major instance being the series of changes in the government of Missouri, necessitated by the adop-

tion of a new constitution in 1945.<sup>1</sup> Notable consolidations of fiscal, welfare, correctional, and developmental activities have occurred in a large number of states, although their integrating effect on state government has to some extent been offset by the addition to state administration of new, war-born functions.

In Missouri, during 1945 and 1946, between seventy and eighty boards, departments, and commissions were consolidated into thirteen executive departments.<sup>2</sup> The new constitution enumerated ten executive departments to be established by the Legislature and provided that not more than four additional departments be created. The Governor was given authority to place "all present or future boards, bureaus, commissions and other agencies of the state exercising administrative or executive authority" within those departments to which their functions most closely related. This provision obviously strengthened the Governor's position in matters of administrative organization and should greatly facilitate continuing appraisal and adjustment of departmental organization. Reflecting a trend throughout state government, tax and fiscal functions previously divided among seven agencies were consolidated in a new Department of Revenue. Public health and welfare functions were combined in a single department and a Department of Corrections was established. Covering a variety of agencies under a single departmental roof does not necessarily indicate an actual consolidation of administrative machinery; the Missouri Department of Business and Administration, for example, contains agencies as diverse as the Geological Survey and the Athletic Commission, the departmental director acting primarily as joint business manager for the component divisions.

Extensive reorganizations of administrative machinery were projected in Louisiana in 1940, in Colorado and Utah in 1941, in Montana and North Dakota in 1943, and in South Carolina in 1945. The reorganizations in

Louisiana and Utah resulted in a considerable reduction in the number of administrative agencies, the reorganizations proposed in Colorado and South Carolina were only partially realized, and the Montana and North Dakota plans were rejected. Governor Ford of Montana has, however, urged the 1947 Legislature to reconsider the comprehensive reorganization plan proposed in 1943. The experience of the states during the period 1940-46 suggests that a department-by-department reorganization of state services is likely to bring more substantial improvement in administrative structure and to arouse less opposition than the over-all sweeping type of reorganization plan.

In the area of tax and fiscal administration, the trend of recent years toward consolidation and integration continued. During the period 1940-46 centralization of tax and revenue administration was accomplished or perfected in Colorado, Utah, Louisiana, Illinois, New Jersey, South Dakota, and Missouri. Lesser adjustments in tax and fiscal machinery were undertaken in several other states, including Arkansas, Idaho, Michigan, Pennsylvania, and Wisconsin; but although some changes moved in the direction of the consolidation of tax and revenue collection, the net effect as regards administrative integration was not in all cases clear.<sup>3</sup> Probably the single most comprehensive consolidation of tax and fiscal functions occurred in Missouri incident to the general administrative reorganization of the state government. The functions of the new Department of Revenue include all handling of state money except custody and disbursement which remain the responsibility of an elective state treasurer.

Most notable in the reorganization of public welfare services were the recommendations of the New York Special Committee on Social Welfare and Relief adopted by the state legislature in 1945.<sup>4</sup> The chaotic jumble of unco-

<sup>1</sup> George H. Watson, "Recent Trends in State Taxation," *The Book of the States, 1945-46*, p. 177.

<sup>2</sup> Cf. Robert T. Lansdale and Byron T. Hipple, Jr., "Integration of Social Welfare Services—State Organization," 20 *The Social Service Review* 1-10 (1946); Harold C. Ostertag, "New York Overhauls Its Public Welfare System," 19 *State Government* 194-96, 210 (1946); Felix Infausto and Byron T. Hipple, Jr., "Reorganization of Public Welfare Services in New York State," 6 *Public Administration Review* 315-24 (1946).

<sup>3</sup> For a survey of developments 1939-1945, see Lloyd M. Short, "State Administrative Reorganization," *The Book of the States, 1945-46*, (The Council of State Governments, 1945) pp. 141-44.

<sup>4</sup> Martin L. Faust, "Reorganization in Missouri," 35 *National Municipal Review* 402-407 (1946).



ordinated local welfare agencies was reorganized and integrated with a view to the convenience of the public, economy of operation, and improved service. Alternative county plans were provided and could be elected on the basis of administrative arrangements made between the county and the municipalities within the county. Particular county plans become operative when approved by the State Department of Social Welfare, such approval being subject to review annually by the department. Effective cooperation of the central state welfare administration in the new program was promoted by readjustment and reorganization within the Department of Social Welfare.

The administration of workmen's compensation was also reorganized in New York in 1945. Administrative structure was clarified and integrated under a newly created Workmen's Compensation Board and administrative practices were reviewed and revised.

In California and Virginia, as well as in Missouri, the movement toward consolidation of related administrative activities led to the establishment of integrated departments of corrections. The General Assembly of Virginia in 1942 brought together a number of separate penal agencies under a new Department of Corrections headed by a board of five, one member of which is the commissioner, designated as the executive officer of the department. The department was given power to prescribe minimum standards for the construction and administration of local penal institutions and exercised powers formerly vested in the State Prison Board, the Superintendent of the Penitentiary, and the Superintendent of the State Prison Farm. Parole functions remained in the hands of the Virginia Parole Board, a division of the Governor's Executive Department.

Under the Prison Reorganization Act of 1944 California created a unified Department of Corrections in order better to integrate and correlate the correctional activities of the state.<sup>5</sup> The functions of more than ten separate agencies were consolidated into the new department which, however, comprises five

component parts, each of which is individually responsible to the Governor. Chief of these divisions is that headed by the director of corrections and responsible for the administration of the state prisons.

Planning and development agencies were reorganized in a number of states during the war years; and there was a tendency, exemplified in Arkansas, Iowa, and Washington, to incorporate state planning boards established during the 1930's into agencies charged with promotional and developmental activities. Following recommendations of Public Administration Service, South Carolina in 1945 consolidated the activities of eight boards and commissions into a Department of Research, Planning and Development. A five-member board appointed by the Governor with the consent of the Senate headed the department and the administration of its three divisions of research, planning, and development was vested in the respective division chiefs. Reorganization and consolidation of several planning agencies was under consideration in Minnesota late in 1946, preparatory to the drafting of proposals for introduction into the Legislature in 1947.

The multiplicity of licensing boards and the inadequacy of their administration were the subject of criticism in several states during the period 1940-46. In Tennessee, particularly, increasing interest was manifest in the idea of an integrated licensing department with citizen boards serving in advisory capacity with respect to various occupational fields.

Offsetting the trend toward the administrative consolidation of state services has been the extension of state administrative machinery into new areas of activity. As states have undertaken new functions, new agencies frequently have been created to provide for their administration. In some states these agencies have been integrated into the existing mechanism of state administration. More frequently, separate agencies have been created. Consolidations of state agencies effected by previous reorganizations have sometimes been partially undone by subsequent legislatures.<sup>6</sup>

Between 1935 and 1941 twenty-one states had created agencies to supervise civil aero-

<sup>5</sup> Richard A. McGee, "California Develops New Correctional Program," 19 *State Government* 104-107, 119 (1946).

<sup>6</sup> Cf. Lane W. Lancaster, "Alabama State Reorganization," 34 *National Municipal Review* 69-73 (1945).

nautics. Of the forty-five states which had established aeronautics agencies by 1946, sixteen placed the agency in an existing department, twenty-nine created separate aeronautics agencies.

Veterans agencies in the states were established or greatly expanded as a result of veterans legislation requiring continuing and often detailed technical supervision in its administration. State veterans legislation prior to World War II usually comprised uniform, easily administered benefits and privileges—almost self-executory in character. But World War II veterans legislation frequently involved long-range, comprehensive programs of educational and economic assistance, vocational rehabilitation, medical services including psychiatric treatment, and counseling provisions with respect to business, labor, and agricultural problems. In New Jersey a division of veterans administered a comprehensive program within the Department of Economic Development. More typical, however, were separate departments for veterans' affairs as established during 1945 in Alabama, Indiana, and Wisconsin.

In summary, the consolidation and integration of state administrative agencies was confined to a comparatively small number of states. Not all administrative reorganizations resulted in improved administration. Some changes were not fully effective; others reflected partisan expediency rather than concern with improved public service. But the balance sheet was generally favorable, and the real benefits derived from changes in particular states were stimulating interest and emulation among the states generally. In retrospect, the most solid progress resulted from the survey and reorganization of individual state departments or functions as illustrated by the reform of local welfare administration in New York. Over-all administrative reorganization plans widened the area of potential opposition, and thus reduced chances for acceptance by state legislatures.

#### Coordination

ADMINISTRATIVE developments seldom occur in the compartmentalized form in which they are most conveniently discussed. Improved coordination of administrative policy

and action is often a result of the consolidation of related governmental functions. The major reorganizations of state departments during the past seven years would seem to facilitate administrative coordination. Integration of state fiscal, correctional, and welfare agencies provided conditions under which coordination can be more easily achieved not only within departments but throughout state administrations. The notable reduction in the number of independent administrative agencies in Missouri brings the Governor's supervisory responsibilities nearer to the hypothetical ideal span of control. To the extent that coordination of policy and action is attempted by the Governor, his task should be correspondingly lightened.

Increasingly as governors have emerged as the chief administrative officers, they have become the chief coordinators in their states. Among the constitutional officers of the states they are *primus inter pares*, but the growth of their administrative responsibilities and the resulting opportunities for leadership have given their office a prestige and status greater by far than that contemplated in the letter of many state constitutions. Unfortunately, few governors enjoy staff facilities adequate to permit them to exercise fully the leadership which their situations invite.

During the early forties the important wartime roles of the governors required an expansion and temporary exercise of emergency powers, but it did not noticeably accelerate the gradual trend toward enlarging the day-to-day authorities and facilities of their offices. Proposed reorganizations which would have strengthened the governor's position were rejected in Montana and North Dakota. The expansive exercise of presidential power in Washington during the Roosevelt years may perhaps have induced reaction against executive power in some of the states. More significant may have been a traditional legislative suspicion of the independent exercise of executive powers.

Michigan in 1943 created a Department of Business Administration in the Governor's office, charged with responsibility for "making investigations and recommendations concerning the economic coordination of state activities." This department was assigned important

liaison tasks, particularly as regards the State Planning Commission, the State Budget Office, and the Civil Service Commission.<sup>7</sup>

The boldest implementation of the Governor's office, however, resulted from passage of the Minnesota Reorganization Act of 1939 during the administration of Governor Harold Stassen. This act strengthened greatly the Governor's staff assistance by providing for a commissioner of administration with responsibilities for budgeting, purchasing, printing, public property, and administrative management.<sup>8</sup> The commissioner's coordinating powers are considerable. Not only is he in position, through his responsibility for the preparation and administration of the budget, for purchasing, and for printing, to keep action in line with policy, but he may investigate and survey the organization and management of the departments and agencies of the state to secure greater efficiency and economy. He may hold hearings and require testimony and with the approval of the governor and the director of civil service may transfer employees from one agency to another. Obviously, the commissioner is more than a staff officer. But he assists the Governor in many essentially staff functions, and the Governor and commissioner as a team appear to have the authority and the machinery to effect highly coordinated administration.

There is abundant evidence of a need for comparative study and research into the organization of the governor's executive office. This problem is faced anew in many states with each change of governor. States differ widely in their circumstances, but there are also significant similarities; and states generally would benefit from a study of the governor's office comparable, at least in direction and scope, to that undertaken by the President's Committee on Administrative Management.

Although outside of the governor's executive office in many states, the planning, per-

sonnel, and budget agencies in most states work in close cooperation with the governor, and in many states afford machinery for exercise of the governor's role of coordination.

Most states established active planning agencies during the thirties, and although many of these continued under varying degrees of reorganization into the forties, their possibilities as coordinating aids to governors were not often fully developed. In several states cooperation between the governor and planning agencies was productive of outstanding success in the development of war and postwar programs. In perhaps a majority of states, however, coordination of administrative activities through over-all planning had not passed beyond the conceptual stage.

More certain progress could be discerned in the growth of personnel administration and the refinement of state budget procedures. Perfection of state personnel organization and practice indirectly facilitates coordination of state administration. As personnel systems operate more smoothly and as internal controls are regularized and strengthened, the possibilities of executive administrative coordination obviously are enlarged. The extension of merit systems evidenced a growing appreciation of the importance of good personnel programs in state government. By 1946 twenty-one states had established virtually service-wide civil service systems. Attention to particular aspects of personnel administration was evident, particularly as rising living costs made the more poorly paid state positions decreasingly attractive during the war and early postwar years. General wage and salary increases occurred in a majority of the states, particularly after July 1, 1943. Comprehensive investigations of the compensation of state employees were undertaken by state personnel agencies—as in California, Colorado, Maryland, and New York; by legislative councils—as in Virginia; and by professional administrative consultants—as in Wisconsin. Increasingly in the large states wage and salary studies were continuing as a part of the routine research incidental to the operation of an effective program of personnel administration. At least six states—Georgia, Minnesota, New Hampshire, Oregon, Utah, and Wisconsin—experimented with cost-of-living bonuses or temporary wage

<sup>7</sup> Robert S. Ford, "Michigan Attacks 'Red Tape'," 33 *National Municipal Review* 576-82 (1944).

<sup>8</sup> Cf. T. G. Driscoll, "The Commissioner of Administration in Minnesota," *The Book of the States, 1945-46*, pp. 145-150; also, Harold L. Henderson, "How a State Can Be Managed," 35 *National Municipal Review* 508-13, 524 (1946).

increases to be adjusted according to the general price level. In a number of states, however, temporary increases were made a permanent part of the basic payroll of the state by legislative action.

Employee retirement systems received attention in the states, twenty-seven states having established service-wide retirement systems by 1946, seventeen of which were set in operation subsequent to 1940. Accumulating experience with employee retirement plans indicated need for changes in the provisions of laws of several of the states. The Connecticut Legislative Council in collaboration with the State Employees Retirement Commission reported in November, 1946, recommendations to the 1947 General Assembly respecting the financing and administration of the state employees retirement plan.<sup>9</sup>

The ever-present danger of generalization with respect to state practices may be illustrated, however, by the experience of Michigan which, in 1941, established by constitutional amendment a civil service commission independent of legislature and Governor, supported by a continuing appropriation of 1 per cent of the administrative payroll of the state and clothed with broad powers to adopt rules placing into effect the basic principle of the amendment.<sup>10</sup> This arrangement may have strengthened personnel administration in several respects, but it can hardly be said to have promoted the coordination of administrative policy and action.

During the early forties the growth and professionalization of state budget offices continued. From the almost exclusively legislative budgeting of twenty years ago, the states have now almost unanimously moved to the adoption of executive budgets.

Indicative of the current thinking with respect to budgeting was the consensus of the National Association of State Budget Officers at their 1946 annual meeting with respect to the organization and operation of a state budget office. It was agreed that:

1. A budget director should be directly responsible to the governor as a part of the executive office, or, a budget director should be indirectly responsible to the

governor but directly responsible to a commission of finance. The preferable system is for the budget officer to be directly responsible to the governor. In both instances, there is an executive budget.

2. All personnel in the budget department should be appointed on the basis of qualifications and competence, with specific requirements for specific positions. The fullest consideration should be given to experience in addition to, or at least as the equivalent of, specific training.

3. A budget department should include the duty and responsibility of administrative management, review, and analysis.

4. The transfer of appropriations within a department should be allowable on the authority of the governor through the budget officer.

5. Varying practices exist relative to emergency funds and allowable deficits, there being no uniform standards among the several States.<sup>11</sup>

One problem of coordination of increasing concern to state budget and fiscal officers results from federal grant-in-aid programs operating at the state level. As presently organized, state planning and budgeting are complicated by the inadequacy of state control with respect to the proportion of state funds which must be provided to match programs set up by the United States Congress. State budget officers at their 1946 meeting expressed concern over the fact that many current grant-in-aid plans operate with little or no opportunity for state fiscal agencies to review their effect on state government as a whole. It is certain that there is increasing support among state administrative officials for a study and review of the entire federal-state grant-in-aid program, appraising it in the light of present-day conditions with the end in view of making the mechanism work more effectively both in Washington and in the several states.<sup>12</sup>

Legislative interest in coordination of administrative policy and action was evidenced in New York, where in February, 1946, a temporary state commission on coordination of state activities was created. The duties of the commission are very broad, including authority "to study and investigate and to report upon any special matter which may be referred to the commission . . . by the governor or by joint resolution of the legislature." Prior to January, 1947, however, the commis-

<sup>9</sup> A. A. Weinberg, "Retirement Planning for Public Employees," 20 *State Government* 10-19, 32 (1947).

<sup>10</sup> *The Book of the States, 1945-46*, p. 156.

<sup>11</sup> *Resume Annual Meeting National Association of State Budget Officers, September 19-21, 1946*, pp. 4-5.

<sup>12</sup> *Ibid.*, p. 12.



sion had confined its activities to an investigation of that state department of education.

Although machinery for administrative coordination was not well developed in most states, the pressure of increasing responsibility and desire to avoid the consequences of conflicting public policies encouraged attention to the coherence of administrative policies and practices. In some respects the best organized states were better equipped to meet this problem than was the federal government in which budgeting, personnel, and planning functions were narrower in scope and apparently less effectively executed than in certain of the states. The gradual movement toward placing the tools of administrative fiscal control, particularly preauditing and accounting, in the hands of the governor continued; but fiscal responsibility in many states remained divided and confused.

#### Cooperation

ALTHOUGH not a new development of the early forties, administrative cooperation among the states and with federal agencies increased greatly as a result of the defense and war emergencies. In August, 1940, the Advisory Commission to the National Council of Defense established a division of state and local cooperation and suggested to the states the establishment of state councils of defense. A number of states had already set up comparable defense agencies, the Virginia Office of Civilian Defense being established as early as May, 1940. All states ultimately established councils by executive or legislative action.<sup>13</sup>

Although the functions of these councils were largely advisory, they acted in a liaison capacity between the federal agencies, the governors, the state departments, and the state legislatures. The councils likewise served as intermediaries between the defense agencies in Washington and the thousands of local county and city defense councils throughout the nation. Their contribution to cooperative intergovernmental administration was considerable but related primarily to the war period and did not result in permanent modification of the framework of state government.<sup>14</sup>

The tendency in recent decades to devise institutionalized forms to assist continuing intergovernmental administrative cooperation continued into the forties. In May, 1942, Congress consented to the organization by compact of the Atlantic States Marine Fisheries Commission. The congressional act provides for an experimental period of fifteen years at the end of which Congress will review the work of the commission and determine whether to extend its consent.<sup>15</sup> The commission, which is advisory only, has nevertheless achieved some substantial success in bringing about uniformity and cooperation among the Atlantic states in the conservation and regulation of fisheries. Of particular significance is the fact that the United States Fish and Wildlife Service of the Department of the Interior is designated as the primary research agency of the commission, and members of the service are directed to attend meetings of the commission. The same cooperative arrangement is included in draft proposals to establish Gulf States and Pacific Marine Fisheries Commissions.

Federal-state administrative cooperation likewise characterized the Interstate Commission on the Potomac River Basin organized under a compact approved by Congress in 1940. Representatives of the four valley states, the District of Columbia, the United States Public Health Service, and the Office of the Chief of Engineers constitute the governing board of the commission. Its activities relate primarily to the abatement of water pollution in the Potomac Valley and its services are largely of a staff or advisory character to the participating governmental units and their subdivisions.

A step towards institutionalizing federal-state administrative cooperation occurred in the Missouri Valley, where in December, 1941, eight states (nine with the participation of Colorado in 1944) set up a Missouri River States Committee consisting of two members from each state to cooperate with other agen-

operation in the selective service, civilian defense, rationing, and price control programs see Frank Bane, "The Citizen Civilian Army" in Leonard D. White, ed., *Civil Service in Wartime* (University of Chicago Press, 1945).

<sup>13</sup> *The Book of the States*, 1943-44, pp. 78-83.

<sup>14</sup> For an account of federal-state administrative co-

<sup>15</sup> *The Book of the States*, 1943-44, pp. 64-67; 1945-46, pp. 26-29.

cies, public and private, in the development of the Missouri Valley. The primary function of this committee has been to work with the federal agencies, particularly the United States Corps of Engineers, the Bureau of Reclamation, and the Department of Agriculture. The Missouri Valley States Committee has met regularly with the federal Inter-Agency Committee consisting of the representatives of the federal departments and bureaus concerned with the Missouri Development Project. Subcommittees of the Missouri States Committee have been established. In March, 1944, an engineering committee, composed of a representative from each of the member states, was appointed to work with the engineers of the Bureau of Reclamation, the Corps of Engineers, and the Department of Agriculture in the development of plans and as an advisory body to the larger committee.<sup>16</sup>

Similarly in the Columbia River Valley the federal government and the states have formalized cooperative relationships. In 1943 the Governors of Idaho, Oregon, Washington, Montana, and Wyoming formed the Northwest States Development Association to harmonize and integrate the views of the states in the development of the Columbia River basin. Two representatives from each state were named by the Governors as members of an advisory committee to study projects proposed for the utilization of the waters of the Columbia River system. Technical experts were later added to the committee which works in cooperation with a federal inter-agency committee established to coordinate federal activities in the area.

Encompassing federal, state, and local government, the Pacific Coast Board of Intergovernmental Relations was established by public officials in 1945 to improve working relationships among the several jurisdictions in the three Pacific coast states.

The tendency toward cooperative action and the formation of professional associations of state officials continued. Although state parole supervisors had worked cooperatively for many years, ratification of the Interstate Parole and Probation Compact by thirty-nine

states formalized and clarified interstate agreement in this field. In 1945 an Association of the Administrators of the Interstate Compact for the Supervision of Parolees and Probationers was formed "for the furtherance of mutual acquaintance, to exchange information, and to cooperate together for the effective carrying out of the Compact and the rules and regulations promulgated thereunder, and to secure uniformity in interpretation, practice, and procedure."<sup>17</sup> Of particular significance was the formation of the National Association of State Budget Officers in December, 1945. An Association of State Planning and Development Agencies was established in May, 1946, and the National Association of State Directors of Veterans' Affairs was organized in November of the same year.

Illustrative of the trend toward cooperative action between federal agencies and the state administrative organizations was the action of the Association of State Planning and Development Agencies in setting up a Committee on Federal-State Cooperation in Economic Development. Describing the purpose of the committee, Association President Don C. Weeks declared:

We decided that our interests as an association properly covered all activities of the federal government in economic development. For example, the states have a proper interest and concern in the activities of the interdepartmental committee on distressed areas, organized by Reconversion Director John R. Steelman under presidential directive. This committee, on which are representatives of the departments of labor, commerce, the RFC, etc., might move into an area—the anthracite area, for example—make complete studies to see what can be done to improve the area economically. The states have a very proper concern in such action.<sup>18</sup>

The Association of Veterans Officers grew out of a conference on November 13-15, 1945, sponsored by the Retraining and Reemployment Administration of the federal government. Meetings of this nature between federal agencies and state administrative officials have been greatly utilized as a means of coordinating and perfecting cooperative federal-state action in nationwide administrative programs.

Illustrative of interstate cooperation in the

<sup>16</sup> M. Q. Sharpe, "Eight States and a River," 16 *State Government* 221-22, 232 (1943);—"Nine States and a River," 17 *State Government* 335, 337 (1944).

<sup>17</sup> Joseph H. Hagan, "Crime Compact," 19 *State Government* 99-100 (1946).

<sup>18</sup> Association of State Planning and Development Agencies, 1 *News Letter* 5 (1946).

solution of common administrative problems were four regional conferences of state legislators and administrative officials arranged by the Council of State Governments in late summer of 1946 to work out common policies and programs to insure the efficient transfer of the public employment offices from federal to state operation.<sup>19</sup>

Some of the most effective interstate administrative cooperation has occurred with respect to interstate unemployment compensation claims. Large-scale movement of workers across state lines during the war period accentuated problems involving the payment of benefit claims and the transfer of wage credits of persons unemployed. The Interstate Conference of Employment Security Agencies has contributed greatly to the resolution of difficulties in this field.

A recent move in the direction of interstate administrative coordination was taken by the planning and development agencies of eleven northeastern states meeting in November, 1946, in Hartford, Connecticut. Affiliated with the Association of State Planning and Development Agencies, a Northeastern States Planning and Development Conference was established further to coordinate state action in the fields of recreation, industrial research and promotion, and state and local planning.

Illustration of the extent of interstate administrative cooperation could be expanded to a degree disproportionate to the scope of this article. State cooperation under the compact clause of the constitution today represents only a small part of the actual extent of interstate administrative action. The period 1940-46 has been characterized by the steady growth of interstate cooperation, and the creation of new interstate agencies and relationships has been matched by the growth and perfection of previously established interstate institutions.

#### Control

THE extent of gubernatorial control over the administrative activities of the states is difficult to measure. Obviously, as in the case of the presidency, the character of the governor's office at a given time and place re-

flects the character of the incumbent governor. Constitutions, statutes, and historical traditions shape the governor's powers in different ways in different states.

There has been a recognized growth in the executive powers of the governors during the past several decades, and it seems safe to conclude that the trend is continuing. At no time in our national history, with the probable exception of the Civil War years, have the governors possessed greater authority or have they been in better position to exercise responsible control over state administrative procedure. Nevertheless, the continuing presence of independent constitutional officers, the lack of adequate budgetary and fiscal control, and the short terms and limitations on eligibility to reelection imposed in many states are factors which prevent the governor from attaining within his state a position comparable to that of the President in the United States. Until the actual exercise of administrative authority by governors has been more adequately described, generalizations with respect to administrative control by governors need tempering with a substantial quantity of caution.

Although the reins of state administration have been held with varied firmness by the governors, the harness which constrains bureaucracy in the states is largely of legislative contrivance. With a few ill-advised and unsuccessful exceptions, legislatures during the forties have not attempted directly to control administrative procedure. Instead, legislative bodies have attempted to fix metes and bounds within which administrative agencies may properly act and have provided machinery for encouraging responsibility and efficiency in state administration. Four types of measures are characteristic: the requirement of the filing and publication of administrative rules, prescription of minimum standards for administrative adjudication, definition and clarification of the judicial review of administrative action, and establishment of special agencies charged with the study and supervision of administrative procedure. Motivated by considerations similar to those which in 1935 persuaded Congress to establish the *Federal Register* and *Code of Federal Regulations*, five states during the late thirties—South Carolina in 1937 and Oregon, Kansas, Massachusetts,

<sup>19</sup>"Return of the Employment Service to State Operation," 19 *State Government* 280-81 (1946).

and Wisconsin in 1939—required that administrative rules be filed with a designated officer, usually the secretary of state.<sup>20</sup> In 1941 Tennessee and Ohio and in 1943 Maryland and North Carolina enacted similar legislation. North Dakota in 1941 directed the attorney-general, with whom all rules were filed, to give an opinion as to the validity of the rules. Indiana in 1943 required that before promulgation rules be approved both by the Governor and the attorney-general and filed with the secretary of state and the Legislative Bureau. Printing of rules was required in some form by South Carolina, Oregon, Ohio, and Wisconsin. The *Wisconsin Red Book*, containing standing rules and orders having the force of law, has been published since 1939, but the most ambitious efforts to publish and codify state administrative rules were undertaken after 1941 by California, Michigan, New York, Virginia, and Pennsylvania.

Michigan in 1943 and New York and Virginia in 1944 enacted measures requiring the filing, publication, and codification of administrative rules and regulations. Publication of current orders, rules, and notices in an administrative register was specified in Michigan and Virginia. California in 1941 enacted the first of a series of important measures to control administrative procedure. The filing of all rules with the secretary of state was required. The Codification Board was directed to publish existing rules in the California Administrative Register, but funds were not provided for this purpose until 1943.

By creation of a division of administrative procedure, the 1945 California Legislature pioneered in the development of permanent machinery in state government to supervise and regularize administrative action.<sup>21</sup> Since 1936, when the State Supreme Court upset precedent to declare the writ of *certiorari* unavailable for the review of administrative action, repeated efforts had been made, particularly by the State Bar, to secure legislation clarifying the relations between state admin-

istrative agencies and courts and providing uniform minimum standards of administrative procedure. In addition to legislation requiring the filing and publication of administrative rules, the legislature in 1941 directed the Judicial Council of California to investigate state administrative procedure with particular reference to judicial review.

In 1943 the Judicial Council undertook this assignment, and in order to adjust the scope of investigation to its resources, it decided to confine its study to the administrative adjudications of those boards and agencies most frequently engaged in litigation. Primarily involved in the investigation were the proceedings of state licensing agencies. The report of the council to the Governor and Legislature late in 1944 was the basis for significant legislation enacted in 1945.

An Administrative Procedure Act prescribed minimum standards for fair administrative procedure with respect to licensing and disciplinary action. Uniform procedure was set forth in detail for all agencies in which formal hearings of a judicial nature were required. Legislation revising procedural requirements of particular departments was also enacted to insure consistency between the Administrative Procedure Act and the basic acts of the various state agencies affected. The legislature hoped to forestall considerable confusion in the interpretation and application of the general act by spelling out its applicability to individual administrative units.

The division of administrative procedure was established after the patterns suggested by the Attorney General's Committee on Administrative Procedure and the Benjamin report in New York. This division not only was to make a continuing study of state administrative procedures and recommend improvements to the agencies, to the Governor, and the Legislature, but was also to maintain a pool of qualified hearing officers available for assignment to contested hearings of a quasi-judicial nature. Further legislation clarified the judicial review of administrative rulings removing obscurities resulting from the invalidation of the writ of *certiorari* in contested administrative adjudications.

In addition to the foregoing legislation, the Assembly of California in 1945 created by

<sup>20</sup> This general subject is treated more fully by Carroll C. Moreland, "State Administrative Rules," *The Book of the States, 1945-46*, pp. 151-54.

<sup>21</sup> Ralph N. Kleps, "The Reform of Administrative Procedure in California, 18 *State Government* 200-203 (1945).



house resolution a three-member California Legislative Committee on Administrative Regulation. Among the facets of administration which the committee was directed to study were (1) the adequacy of the expression of legislative standards, (2) the clarity of the definition and scope of the quasi-legislative function, (3) the nature, extent, and need of statutory regulation of administrative procedures, and (4) the scope, procedure, and need for the judicial review of administrative action. In a progress report issued July 20, 1946, the committee summarized statutory provisions conferring quasi-legislative functions upon administrative agencies and defined with references and citations its understanding of quasi-legislative functions and of administrative procedure, including rule-making, notice, and hearing.

The Pennsylvania General Assembly in 1945 enacted two important measures, the Pennsylvania Register Act and the Administrative Agency Law. The validity of administrative regulations was conditioned upon their publication within forty-five days after adoption in the *Pennsylvania Register*, except in cases of emergency certified by the Department of Justice. An ex-officio board was created with authority to superintend the publication of the register. Impinging more directly upon the processes of administration was the Administrative Agency Law which set forth minimum standards for administrative adjudication and provided under certain circumstances for the judicial review of administrative action. Notice and hearing were required to establish validity of administrative adjudication. Testimony at hearings was required to be stenographically recorded and a complete record kept of proceedings. Decisions of the adjudicating agencies were required to be written and to contain findings and the reasons for the conclusions reached.

Persons directly affected by an administrative adjudication were permitted court appeal under the terms of the Agency Law. Within thirty days after service of an administrative decision, appeal was permitted to the Court of Common Pleas of Dauphin County. Unless admitted by the court upon a show of due cause, questions not raised before the administrative agency might not be introduced

upon appeal, except that in all cases the validity of the statute under which the agency proceeded was contestable. Administrative adjudication if not sustained might be modified, set aside, or remanded to the agency for further disposition as directed by the court. The court was directed to affirm the adjudication, however, unless it found that the decision of the agency was in violation of the constitutional rights of the appellant, was not in accordance with law, or that any finding of fact necessary to support the adjudication was not supported by substantial evidence. Further appeal to the Superior or Supreme Court of Pennsylvania was allowed within thirty days following the filing of a decision by the Court of Common Pleas.

In Illinois the 1943 General Assembly established a nine-member Administrative Practice and Review Commission "to study administrative practice and procedure . . . and to report its findings and recommendations. . . ." <sup>22</sup> In 1945 the commission reported a bill limited to the judicial review of administrative agencies. No recommendations were made concerning the improvement of administrative procedures, but the committee expressed the hope that the desire to sustain records under court review would encourage administrative agencies to effect needed reforms in procedure.

Statutory judicial review of administrative action affecting the legal rights, duties, or privileges of specific parties was clarified by the Illinois Administrative Review Act of 1945, replacing common law *certiorari*, equity, or previously provided statutory review as judicial remedy in administrative controversies. The major purpose of this act was to remove accumulated obscurities and inconsistencies in the judicial remedies of administrative law. The State Supreme Court was granted power to make rules of pleading, practice, and procedure in order that review of administrative action might be simplified. The Administrative Practice and Review Commission was continued by the 1945 Legislature and directed to report to the regular legislative session in 1947.

<sup>22</sup> Illinois Administrative Practice and Review Commission, *Report to Sixty-fourth General Assembly of the State of Illinois* (1945), p. 5.

The New York Temporary State Commission on Coordination of State Activities was authorized to study and recommend legislation concerning the adequacy of the judicial review of administrative determinations, but at the close of 1946 had not commenced investigation in this field.

Proposals for a uniform administrative procedure act were considered by the National Conference of Commissioners on Uniform State Laws as early as 1938. Because differences among the states precluded adoption of a truly uniform measure, the commissioners in 1943 suggested instead a model act representing provisions desirable for state legislation but subject to adaptation in the various states. Although the model act was not officially approved by the Conference of Commissioners until October, 1946, Wisconsin and Ohio in 1943 adopted the act in modified form and a similar measure was enacted in North Dakota in 1941. The model act as approved was scheduled to be introduced into the legislatures of Michigan, Oklahoma, Pennsylvania, South Dakota, and Washington during the 1947 sessions.

Administrative procedure acts are now in force both in the federal government and in several of the states. Comparative study should presently permit evaluation of these measures and indicate steps necessary to their perfecting in the interest of responsible administration.

#### *Concluding Observations*

STATE progress toward improved administration during the period 1940-46 was solid although unspectacular. Reorganization and experimentation in particular states afforded the basis for similar action in the

states generally. Fiscal activities and welfare, correctional, and planning functions were the primary objects of reorganization. The regulation of administrative procedure was the subject of considerable legislation. Experimentation in organization of central executive staff services was undertaken on a bold scale in Minnesota after enactment of the Reorganization Act of 1939 and to a lesser extent in Michigan in 1943. The war brought new functions to state government and expanded existing ones, but its effect upon the overall structure of state government was slight.

The crucial question with respect to the administration of state government is whether the perfecting of organization, personnel, and procedure will keep pace with the increasing demands upon the public service. This is not a question peculiar to state government, but because of the key position of the states in our federal system, the answer will in large measure determine the direction in which that system will develop in the years ahead. Interstate and federal-state administrative cooperation is continuing to develop and to bring order into that area midway between federal and state jurisdiction which a generation ago was virtually unexplored territory.

Taken collectively, the states afford specific examples of highly effective organization, personnel, and procedure in virtually every phase of administration. The states do not want for examples of the best practices in government from among their own numbers. Upon their willingness to profit from experience and to apply demonstrated improvements to their particular circumstances will depend in large measure retention of the public confidence which they today enjoy.

# Reorganization of Workmen's Compensation in New York State, 1943-46

By MARY DONLON

*Chairman, New York State  
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## I

GOOD administration is essential to fulfillment of the legislative purpose of any law. The more complex the law, the more difficult it is to achieve effective and efficient administration. The unavoidable difficulties in administering workmen's compensation in any state are in direct ratio to the complexity of the relationships created by workmen's compensation legislation and the total operating volume. But these administrative difficulties often are increased by defects in the administrative pattern and procedures.

New York State in 1943 undertook to correct administrative abuses and deficiencies in workmen's compensation. This was rightly deemed to be a service not merely to the groups directly concerned in workmen's compensation—labor, industry, the medical profession, and the insurance carriers—but also to the people of the state as a whole, whose concern in the sound administration of workmen's compensation has not always been sufficiently recognized.

Special problems in the administration of workmen's compensation in New York State are created by its scope and the liberal provisions of the Workmen's Compensation Law. Provisions for direct payment, mandatory hearings, and the safeguarding of the worker's right to "free choice" of his own physician afford splendid protection for workers, but they also make vastly more difficult the problems of administration.

NOTE: This paper is based upon an address delivered at the annual meeting of the International Association of Industrial Accident Boards and Commissions at Portland, Oregon, on August 27, 1946.

In New York workmen's compensation is mandatory rather than elective, as it is in some of the states. Employers are required to provide for payment of workmen's compensation benefits to one or more workers in hundreds of hazardous employments enumerated in the law and to four or more workmen in all other employments except those specifically exempted. There are relatively few exempt employments; and by voluntarily providing workmen's compensation for his workers an "exempt" employer frees himself from common law liability. In practice, therefore, many "exempt" workers actually do have the protection of workmen's compensation.

New York requires employers or their insurance carriers to make biweekly payment of workmen's compensation benefits directly to disabled workers and to the dependents of fatally injured workers. The law provides for a hearing on every claim, either before the Workmen's Compensation Board or one of its referees. Agreements between workers and their employers or carriers for direct settlement of workmen's compensation claims have been prohibited since 1919. New York provides workmen's compensation benefit payments after a waiting period of seven days and necessary medical and hospital care whether or not there is lost time.

New York protects the worker's right to free choice of his attending physician, selected from a panel of 23,000 doctors authorized by the chairman of the Workmen's Compensation Board to render medical care in general medicine or qualified as proficient in twenty-eight recognized medical and surgical specialties. There is a minimum fee schedule for pay-

ments to physicians, and the law provides for the arbitration of disputed medical bills.

Employers are required to provide for the payment of workmen's compensation to their employees either by approved self-insurance or by insuring with the State Insurance Fund or a stock or mutual insurance company or through reciprocal insurance.

Workmen's compensation is the exclusive remedy of disabled workers against their employers, except in the case of noninsured employers who, as a penalty for failure to obtain insurance, are subject to common law suits without benefit of their common law defenses.

New York provides workmen's compensation benefits for the disablements of occupational disease as well as for the disabilities caused by industrial accidents.

Approximately five million workers have the protection of workmen's compensation in New York State. Over 250,000 workmen's compensation insurance policies are issued annually. On July 1, 1946, there were 1,038 self-insured employers, including 796 cities, towns, and other local government authorities. The direct cost of workmen's compensation in 1945, including disability and death payments, medical and hospital care, and the excess cost of insurance, was an estimated \$150,000,000.

There were 664,830 industrial accidents reported in 1945. In that year, 144,167 workmen's compensation claims were "indexed" for hearing; of 151,173 closings by referees, 103,884 claims were held to be compensable. The claims unit in 1945 processed a total of 2,838,953 claims papers; the board reviewed 10,936 applications for review of referee decisions and for reopening of claims, and granted 7,492 applications; the board's staff of physicians conducted more than 137,000 medical examinations in cases of disputed disability and the board's hearing stenographers took the record in 396,246 hearings conducted by the board and its referees.

## II

**D**URING the thirty years from 1913 to 1943, New York experimented with several administrative patterns for workmen's compensation. Successively there were tried administration by a commission charged solely with responsibility for workmen's compensa-

tion; administration by a commission responsible for all the varied functions of the Labor Department and also for workmen's compensation; and administration that divided responsibility between an Industrial Commissioner heading the Labor Department and an Industrial Board. The lines of that division of authority and of responsibility were never clear, and the intended independence of the Industrial Board in judicial matters was jeopardized by its budgetary dependence on the Industrial Commissioner and lack of control over its staff. The board could not appoint, assign, or dismiss the referees who made decisions for the board and in its name.

In some areas of responsibility the board and the commissioner had concurrent jurisdiction and in others alternative jurisdiction. There can be little doubt that the resulting confusion fostered controversy and caused delay. Divided and overlapping authority created an administrative situation which served to undermine confidence in the fair and prompt determination of claims. The problems resulting from divided responsibility took up time of the commissioner that might better have been expended in Labor Department functions for which he was solely responsible, such as the enforcement of wages-and-hours legislation and regulations, industrial safety codes, and laws regulating child labor and the employment of women.

The distribution of workmen's compensation functions between the Industrial Board and the Industrial Commissioner had been, even before 1943, a matter of comment and concern to students of state government. Robert M. Benjamin, for example, pointed to these organizational difficulties in his *Supplementary Report on Workmen's Compensation*, which constituted Vol. VI of his report, *Administrative Adjudication in the State of New York*, made to Governor Lehman in 1942.

In January, 1945, Governor Dewey, following a survey of the subject, sent to the Legislature a summary report on administrative and adjudicative procedures in workmen's compensation, with his recommendation of legislation to integrate responsibility for workmen's compensation in a Workmen's Compensation Board and its chairman, located in the De-



partment of Labor but with separate budget and personnel. This recommendation was enacted into law and became Chapter 74 of the Laws of 1945, effective April 1, 1945.

This law provided for close integration of authority and responsibility for workmen's compensation in New York State. The newly created Workmen's Compensation Board assumed all the judicial and rule-making authorities theretofore distributed between the Industrial Board and the Industrial Commissioner. Administrative responsibility was transferred to the chairman of the Workmen's Compensation Board who shares with the other nine members of the board the judicial and rule-making authorities.

### III

THIS statutory reorganization of functions and duties gave impetus to a long overdue reorganization of workmen's compensation practices and procedures. Despite the difficulties, common to all agencies, in acquiring new personnel, additional equipment, and housing urgently needed for expansion of facilities, good progress has been made.

Work procedures for processing claims have been revised to secure a continuous and efficient work flow from the receipt of the first report, through intermediate steps to referee hearing and the entry of decision, and subsequent checks on continued payment to the worker or his dependents.

The filing system, which is the nerve center of workmen's compensation administration, has been radically revised. A terminal digit system has been substituted for the old plan of straight numeric filing that was arbitrarily divided into eight alphabetic and two special divisions, with marked results in expediting file work.

Formerly the unnumbered claim papers, of which about 5,500 pieces are received daily in the New York City office alone, were identified as to claim number by searching index books according to the claimant's name and date of accident. Frequently this search required reference to several of these books, all heavy and awkward to handle. Since reorganization this search is made on visible index rotary files, with considerable saving of time and strain.

Calculating machines have been installed in

the award rooms. Snapout multiforms, prepared on electric typewriters, are used for claim work papers and forms. Alphabetic mail sorters are used instead of the old awkward method of manual group sorting. Window envelopes for hearing notices obviate extra typing. Movement of claim files has been eliminated wherever possible, and this has relieved work strain and saved time in such busy operations as the calendar section and the medical stenographers unit.

Separately these may seem relatively unimportant items. That they are important, in sum total, is emphasized by the size of these operations: the medical stenographers in the New York City office alone type 400 examination reports daily; every day, on an average 6,000 notices of hearing are mailed; upward of 10,000 pieces of mail are received for daily sorting. The calendar section in New York City is responsible for as many as 30,000 cases at one time; the previous system of routing claim files to the calendar section caused indescribable confusion and filing difficulties.

Referee hearings on workmen's compensation cases are scheduled in 81 cities and towns in 56 of the state's 62 counties, thus bringing the hearings close to the claimants' homes. There were 393,165 such hearings held in 1945.

As rapidly as possible provision is being made for referee hearing rooms small enough to insure decent privacy for claimant hearings. It would be difficult to overemphasize the indignity to workers or the detriment to workmen's compensation administration chargeable to public hearings. They make a public spectacle of the injured workers and expose them to some of the very rackets which successive executive investigating commissions have excoriated. Structural difficulties and shortages of materials and manpower have slowed the conversion to small hearing rooms, but in two hearing locations, each with three referee parts, the new-type arrangement has been tried with great success. It is hoped that conditions may soon make possible similar improvement in other hearing locations.

There are now three board panels of three members each, reassigned from time to time, which hear appeals in place of the old single member Board review. These three-member panels regularly include one lawyer and one

labor member each, thus bringing to the deliberations of the panels both legal experience and a sympathetic understanding of the worker's viewpoint.

A motion calendar procedure has been instituted to expedite awards for selected minor disabilities and thus free the trial calendars for prompt hearing of controverted and serious cases.

For the first time actuarial formulas have been adopted for evaluation and reevaluation of the reserves required of self-insurers. The chairman has on deposit over \$40,000,000 in securities of self-insurers.

Standards and procedures for rating and re-rating physicians authorized by the chairman to render medical care under the Workmen's Compensation Law have been revised. For the first time a *Handbook of Medical Standards Governing Industrial Medicine under the Workmen's Compensation Law* has been made available in order to facilitate a uniform level of medical competence in the treatment of disabled workers.

These are some of the highlights, but by no means all, of the new and reorganized procedures in the administration of workmen's compensation in New York State. New forms have been prepared and the revision of other forms is in progress. New rules have been adopted. A planning section has been established to develop and coordinate procedures. The research and statistics section has been given responsibility for operating statistics, as well as for an expanded research program. Carrier performance is evaluated and the results are published semiannually. There have been notable improvements in budget, payroll, and personnel practices.

Instead of the old vertical line of administrative responsibility descending from the Industrial Commissioner to a deputy commissioner to a director of workmen's compensation to an assistant director of workmen's

compensation, there has been substituted a horizontal delegation of responsibility from the chairman to four major administrative bureaus: (1) the claims bureau, supervised by the administrator of compensation claims, which processes claims from receipt of the first report through claims examination and calendaring to the point of hearing, and then resumes responsibility between hearings; (2) the referees bureau, under a supervising referee, which administers all functions of referee hearings and is administratively responsible for referees, medical examiners, medical stenographers, hearing stenographers, calendar clerks, investigators, and the social service or aftercare workers; (3) the office of the general counsel, which has administrative responsibility for the review section, preparation of court appeals in cooperation with the Attorney General, self-insurance, medical ratings and medical bill arbitration, board rules, library, legal publications, and the legal counselling of referees and examiners; and (4) the office of the secretary, which has administrative responsibility for record-keeping, licensing of hearing representatives, and housekeeping functions such as personnel, budget, and purchases, and is also responsible for the board docket and calendar.

The reorganization of workmen's compensation administration in New York State between 1943 and 1946 has concentrated on two principal objectives: (1) improved procedures to eliminate avoidable delays in adjudicating the claims of disabled workers, and (2) the correction of lax practices that had bogged down administration. These delays and abuses had seriously impaired public confidence in the administration of workmen's compensation. Reorganization has succeeded in renewing confidence and has stimulated the cooperation of industry, labor, carriers, and the medical profession so important to successful administration.

# Analysis of the Process of Decision-Making

By JAMES L. McCAMY

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**W**HO practice and talk about administration need to agree on concepts and language to describe decision-making. The reaching of a decision is the core of administration, all the other attributes of the administrative process being dependent on, interwoven with, and existent for the making of decisions. My purpose here is to suggest an outline for the consideration and discussion of decision-making.

If we can build reliable evidence of what actually takes place in the reaching of administrative decisions, we shall be able not only to tell others what happens but also to reach better informed conclusions on such questions as the nature of planning and its execution, the extent of executive discretion in a responsible government, or the consequences of turnover in administrative personnel. The need for information about the process of decision-making was recognized a few years ago by the Public Administration Committee of the Social Science Research Council when it sponsored the admirable case history reports. It seems to me, however, that any future analysis will be more revealing if it goes deeper into the anatomy of a decision and if it is conducted according to an agreed set of categories for investigation. Ideally, as all who are concerned with social analysis so often dream, a number of analysts would simultaneously attack various decisions under an agreed outline of work and would produce at one time the information by which techniques could be improved and on which public policy could be based with utmost clarity. Since this is not likely to happen, we may hope that those analysts who do offer a description of what transpires in the making of a decision will each in his own time follow a comparable out-

line so that results can be compared from one analysis to another.

Decision-making is defined here as the complex of human associations, events, and words leading to, and including, any conclusion for a program of policy or operations. Such a decision might be as insignificant as deciding to announce a routine holiday in peacetime or as significant as the President's deciding to ask the Congress for a declaration of war. In any case the reaching of a decision will be the same under the present definition of decision-making. It is a process of people acting upon each other toward a conclusion.

Certainly non-human events affect decisions. Floods, fires, and famines may urge responsible officials to certain action; or the tangible consequences of earlier decisions may direct another course, as in the case of an attempt to turn a military defeat into a victory; or the actions of other organizations and countries may force changes, as when the Japs attacked Pearl Harbor. The effects of outside events, however, are represented through the persons involved in making the decision; hence it is suggested that decision-making in concept include the human events, associations, and words involved in leading to a conclusion.

In further explanation of the definition one assumption should be made clear. It is that no single individual alone ever makes a decision in administration. He is always influenced by other persons, whether present in person or in spirit, and his conclusion is the result of advice, affection, hostility, fear, envy, admiration, contempt, or condescension involved in the complex of human relationships that pervade administration. There are terms used in the present language of management, as "sin-

gle command" or "unified responsibility," which might imply that one person can be given authority accompanied by the ability to act on his own, depending only on his own judgment. No such condition can exist in fact insofar as decision-making is concerned, because interpersonal relations are inevitable and consequently persons will influence each other. The concepts of single command and fixed responsibility continue to be useful in theory and practice, but they should be understood to refer to organization and supervision and not to the process of reaching conclusions. Much the same statement can be made about other common terms, such as "The White House," "The Secretary's Office," "The Presidency," "The Crown," which may be interpreted by the layman to mean that decisions are made by individuals without the help of other persons and the influences they represent. These should be clarified to refer only to collective decision-making. They are the symbols of groups and not of individuals.<sup>1</sup>

All of this will be familiar to the practitioners of administration if they pause to think about the nature of their work. They spend practically all of their time in dealing with other people, either in person through face-to-face interviews, in groups in conferences, through correspondence in letters, memos, and forms, or, and not at all insignificant, through reveries which bring up other persons from any distance with whatever association memories provide. These people who appear, in fact or through some substitute form, to the person who will lead the conclusion of a decision will provoke from him confidence, suspicion, or resistance as determined by the circumstances of their past and present relations.

Finally in developing this assumption, it should be said that the person who leads the conclusion of a decision can be at any level in the hierarchy and need not be the senior officer among those involved in the particular decision. He can be at any level because decisions are made at all levels, from the unit within a section to the department to the entire government—and similarly in private or-

ganization under other names for different levels. He need not be the senior officer involved because the person who leads the conclusion is the one who persuades the others, or at least persuades the one with authority, to decide on his proposals. Some senior officers can in fact persist in their positions for long periods by relying upon some subordinate to propose acceptable decisions. Other executives sometimes find advantage in a deliberate policy of favoring most proposals from their subordinates and thus evading the responsibility to direct and to decide on their own. Competent and responsible officials, of course, do not evade their function and in fact make their own contributions to decisions. They accept the influences brought upon them by others, select alternatives, consider new influences from their own levels, and make decisions based upon all these factors plus whatever personal contribution appears in their own role. The point to make here is that some one person is the ultimate contributor to a decision. In most cases he will be the senior officer who accepts responsibility with authority. In other cases he may be a subordinate of an acquiescent senior. In either case, the analysis should reveal the ultimate person responsible for the decision.

The very condition in which decision-making is so familiar to skillful administrators, and so undefined in description, is one reason why some new attention should be given to a framework for reporting. Many people in an organization, especially professional analysts who recommend policies, grow resentful and frustrated because they do not grasp the process, and no one can tell them. College students who enter administration may conclude that they need not have gone to school because what they learn in practice (i.e., intuitive decision-making) was never taught them. Both schools and administration, either private or public, would benefit if students could be instructed in a system which they could apply consciously to their observations in practice. We need more and more to be able to describe what actually takes place inside an organization that produces decisions so that we can train students more realistically and explain results. In the field of administration this is only to say what has been said many

<sup>1</sup> John M. Gaus has discussed this point in a forthcoming volume of lectures which were delivered at the University of Alabama.



times about the social arts and sciences as a whole. The desirable results will be the same, notably in that rumor and gossip about the process and the decisions can be replaced as a source of policy by accurate analysis of what really occurred, not to mention that responsibility can more aptly be assigned if we have a system of analysis which will reveal what happened and who made it happen.<sup>2</sup>

The simplest decisions are made at one level and involve comparatively few persons. As complexity and significance increase, the reference from level to level in the structure of the organization becomes in order. Thus an individual in a unit decides that he wants something changed but the action to accomplish what he wants must be taken at a higher level. He starts the process of decision-making in a hierarchical organization.

Assume that A decides that a regional office of his agency should be changed from San Francisco to Los Angeles. He might be asked by an analyst to put down the considerations that moved him to the decision. Perhaps he had been given the suggestion by someone who cited that Los Angeles was now larger, and that Los Angeles was the "coming town" on the coast. Perhaps A had made a careful analysis of trends and reached a scientific conclusion that headquarters should be changed. Whatever the case, the external factors such as population, trade statistics, and the future of the agency went into the complex of all that was in A's mind, including his personal experiences with the two cities and with people involved. He starts hierarchical decision-making by having reached a conclusion of his own.

Now as anyone who has ever tried to move a regional office knows, the decision is difficult to reach because it involves conspicuously intense political, economic, logical, and personal factors which are represented by the various persons who take part in making the decision. Because the decision is difficult, or unusually significant, it also produces successive consideration at all levels of the organization above that at which the proposal started.

<sup>2</sup> The importance of interpersonal relations in social affairs and the need for more systematic description have been stated forcefully in the books, articles, and lectures of Dr. Harold D. Lasswell.

The factors of analysis will be presented here in two parts; the first concerns the interaction of persons and the second concerns the external factors which affect the decision. These two categories are suggested as the outline by which decision-making can be laid out, or perhaps "dissected" is the word.

#### *Personal Factors*

SINCE personal factors are related to the persons involved rather than to issues, they will be the same in any decision regardless of the issues.

The first observation concerning the persons involved is that their number is cumulative as the proposal moves ahead to further stages. As a corollary, their influence is also cumulative, and a residual influence having been transmitted to a new person continues in some part to be represented even though the originator has dropped out of the process. Some individuals drop out at each change of stage while new individuals enter.

The second proposition concerning persons is that the number of considerations applied to the development of a decision becomes larger and the variety becomes greater as the progression involves persons of higher echelons and also the persons who influence them. This occurs because the very nature of hierarchical structure means that as officers supervise larger areas from higher posts they know less detail but know more about wider considerations than those who will be bringing proposals to them. A federal department head will apply considerations resulting from his relations with Congress, Party, President, and the whole executive branch, not to mention the states, in a wider degree than will a bureau chief. The bureau chief will apply a wider consideration than will a division chief and so on through the ranks of the hierarchy.<sup>3</sup> Our scheme should then include provision for segregating the additional considerations that enter in each stage with the entrance of new and higher persons.

The third proposition concerning persons

<sup>3</sup> Paul H. Appleby has discussed the importance of the broader view among higher executives in Chapter 7 of *Big Democracy* (Knopf, 1945). This book also has other cogent and relevant comment on administrative decisions.

is that factors of psychology and interpersonal relations, recognizable and understandable to laymen, can and should be accepted as influences typical to the development of each decision and should be listed for analysis in our scheme for describing decision-making. There is nothing mysterious about the study of interpersonal relations. A skillful administrator manages interpersonal relations consciously every hour of the day when he intuitively analyzes what makes one person want what he wants and adjusts that desire in modification to himself, his program, and the other persons who have desires, feelings, and who are also involved in the administrative scene of the moment. All individuals in any walk of life are continuously engaged in interpersonal relations. The big difference between "all individuals" and "skillful administrators" is consciousness of what individual persons want and the sense and courage to manipulate human conditions to achieve the ends of a program. The professional psychiatrists, who have more work than they can handle with neurotic and psychotic individuals, can make valuable contributions to management through sharing their concepts and categories, as they have, but they have no monopolistic claim to the inner rites of social analysis, nor have they ever claimed to possess a mystery. The task of administrators and students of administration is to establish categories and terms within their own easy reference to describe the normal, nonpsychopathic behavior of persons in relation to other persons in situations of management.

The following personal factors are suggested as those which are involved in decision-making and which should be considered in the analysis of any development of a decision:

1. The prestige of the individual in relation to others involved and in relation to his total environment.
2. The economic security of the individual in relation to others involved and especially in relation to those for whom he feels affectionate responsibility, e.g. wife, children, parents.
3. The individual's knowledge as applied in the particular consideration.
4. The responsibility to the public or to groups which the individual feels according to his character and his ideological and moral predilection.
5. The complex of attitudes concerning competence and personality which the individual holds toward others in his grouping.

#### *Application—Personal Factors*

THE full extent of the analysis of any particular decision will depend, of course, on the thoroughness with which any of the categories of analysis is developed. If profound research is conducted into the personalities, the secondary groups in the background, the force of events currently pressing upon the decision-makers, and each of the other categories to be examined, the resultant study might well fill several volumes. On the other hand, the categories might be used as the framework for only casual reports which are achieved from rough observation rather than from profound and detailed substantiation. In either case, some system of agreed categories is needed for the discussion of decision-making.

The utility of these categories may be illustrated by listing some of the points that would be considered under each category in an attempt to describe a decision. The volume of evidence collected might vary according to the decision or the investigator, but the procedure of description and analysis would be the same for any decision.

1. *The prestige of the individual in relation to others involved and in relation to his total environment.* Under this category would be collected, at least in the working papers, all the data relating to such points as the title of the individual, his age, his place in the hierarchy, his salary, the record of his promotions, and his personal relationships with others in the group involved. The relative standing of the individuals to each other will be of primary importance in the analysis, and analysis will be more important for the report than will raw data. The analysis, in brief, should reveal such points as who defers to whom for reasons of rank, who has reason to feel superior to others because of salary, rapid promotions, or superior ability, who has personal affection for whom and who has hostility, who seeks the favor of whom, who is older or younger than whom. The most accessible information in this area will be that gathered from organization charts, personnel files, and biographies.<sup>4</sup> These data will be valuable

<sup>4</sup>As a federal administrator I have been impressed with the clues to personality research that are available in such a bare skeleton as the Form 57 which is standard for application for a position in the federal gov-

though they should be used cautiously in drawing conclusions unless they are supplemented by material gathered from interviews or from close inside observation. Such observation is commonplace among people who negotiate in any sphere, as can be illustrated by nearly any intimate conversation in which plans or past performance in a negotiation are discussed. References are made to the personalities in the group, to their positions, and to their relationships to others. The observer in the kind of analysis proposed here would systematically record and test the validity of such facts as are common in the typical consideration of any person who deals with others to produce a decision.

2. *The economic security of the individual in relation to others involved and especially in relation to those for whom he feels affectionate responsibility, e.g. wife, children, parents.* Men are bold or timid, independent or subservient according to their private feelings of obligation. Their role in the making of a decision will be affected by their degree of dependence upon others involved for the security necessary to fulfill responsibility. Many a "yes-man" is born in the necessity of holding onto a job that provides the income necessary to fulfill obligations, and the condition can be true regardless of the size of income, for standards of expenditure will rise with income and the ratio of outgo to income remains the same. The observer should learn all he can about the factors that relate to the economic security of each individual involved in the making of the decision. Is he married? How many children does he have and what are his plans for their education? Is he supporting parents? Or a divorced wife? Does he owe debts? Has he had offers of other jobs with any regularity? Has he an independent income from investments? Does he have a hard time meeting the monthly bills?

### 3. *The individual's knowledge as applied*

ernment. The effect of a depression on an applicant's income, his curve of success through the years in terms of position, employer, and income, his formal rebuffs by society in terms of court actions or arrests are laid bare under certification of honesty. These records are confidential, of course, and would be available only to an analyst making a confidential analysis for the government.

in the particular consideration. Under this heading the observer should record the formal educational history of each of the individuals. In addition, he should find all possible data on other learning and particularly on information acquired on the subject under discussion, remembering always that the best-informed men may not have gone far in formal schooling. What reading has the individual done? With whom has he discussed the subject and with what gain in knowledge? Has he written memoranda or letters that reveal knowledge? The extent of knowledge will affect the individual's role in making the decision.

4. *The responsibility to the public or to groups which the individual feels according to his character and his ideological and moral predilections.* Some men are actively dedicated to the groups they serve. These groups may be those formed through mutual interests or through acceptance of a common ideology. Other men are indifferent to the "cause" which is involved in a decision and react only to the non-purposeful factors involved. If we are to understand a decision, we need to know the effect upon the individuals who made it of the desires, hopes, prejudices, and purposes of the group to which the individual feels responsible—factors which are classified as expersonal. Much information can be gathered in any organization about the persons who react to any situation with some detectable response that comes from group loyalty. These reactions are personal factors. A man is known as "liberal" or "conservative," as "isolationist" or "internationalist," as "humanitarian" or "exploiter." He may be known to stress profit more than production or economy above program. He may be willing to take short cuts or to cheapen the product or he may stubbornly insist on the best quality. His reactions in these respects will be influential in his role in decision-making, and the observer should gather as much information as possible on these points.

5. *The complex of attitudes concerning competence and personality which the individual holds toward others in his grouping.* Does one individual think another is "good at his job" but a "difficult personality," or is "incompetent but a nice fellow" to be tolerated, or does the individual think of another or

others as neither competent nor pleasant and so applies one of the obscene appellations by which people designate the men they do not like. A man may be slow and tedious, tiresome to his associates, or he may be witty and light, adding the easiness of humor to what otherwise could be a dull negotiation. He may be out-giving and expansive in his contacts with others or he may be reticent. In other words, all that is commonly said in conversations to describe the personal bearing of one's fellowmen will enter into the description of what takes place in the making of a decision. The opinions men hold of each other will affect their mutual behavior. The way in which one individual in the group regards the others, and the way they regard him, will be a part of the decision-making, and the analyst must learn as much as he can, from conversations and any other possible sources, of the way the individuals think of each other.

#### *Ex-Personal Factors*

**I**T WAS assumed earlier that external influences in decision-making are represented through the persons who participate. The ex-personal factors here suggested are those which are more the concern of the agency than of the person involved in decision-making. They will vary with the issue involved and hence with each decision.

These categories are suggested as an outline of analysis:

1. *Events in the field of the agency's work.* This category can be subdivided into (a) change in tempo and volume and (b) change in emphasis.

2. *Knowledge from research and analysis.* Under this category would be included the statistical and other data which are considered as relevant by the persons making the decision.

3. *The expectations of individuals or groups to whom the decision-makers are responsible.* In every decision each person involved will have loyalty, indebtedness, respect, hope, or fear in relation to other persons alone or in groups. This interpersonal relationship would be considered under the personal factors discussed above. Concern here is rather with a category in which we can define what it is that these higher individuals want as groups.

4. *The reputation of the agency.* Institutions such as business firms or government bureaus have reputations to maintain just as have individuals. It will be important to ascertain the dominant opinions held by others concerning the agency, for these will be a factor of influence in the making of decisions.

5. *The security of the agency.* This ever-present question mark in the minds of the men who are engaged in the making of a decision can be subdivided into (a) the consideration of agency survival and (b) the consideration of possibilities for expansion.

6. *The resources available.* Decisions are obviously influenced, if not confined, by the tangible limits of money, men, and materials which can be applied to the execution of the decision.

7. *The legal conditions which affect the decision.* Laws and regulations place limits on public and private agencies and decisions therefore must take them into account. In some cases the decision itself will be to seek a change in the confining laws.

#### *Application—Ex-Personal Factors*

**B**EYOND the gathering of information about the persons involved in a decision the observer must assemble in whatever thoroughness is necessary to his purpose the ex-personal factors, or the agency setting, for the decision. Persons reflect the ex-personal factors which arise from the concerns of the agency as an institution. We can now suggest the sort of information that would be gathered and analyzed under each of the categories of ex-personal factors.

1. *Events in the field of the agency's work.* Those events which change the tempo and volume of work might be illustrated, in the case of the decision to move a government agency's regional office from San Francisco to Los Angeles, by the great movement of workers to Los Angeles as a result of wartime expansion of the aircraft industry. Another example would be the development of Los Angeles as a port, resulting in a larger number of exporters and importers and a greater volume of international trade. Or a third example might be the influx of unemployed farm workers to Southern California during the depression of the 1930's. The first total event might recommend the removal to Los Angeles of the field office of the Employment Service, the Social Security Board, or the National Labor Relations Board, all of which deal with industrial workers. The second could mean that the Customs Bureau, the Bureau of Foreign and Domestic Commerce, the Bureau of Entomology and Plant Quarantine, the Public Health Service, and the Immigration Service should move from San Francisco to Los Angeles where the work has become heavier. The third event might be re-



son to move the regional office of the Farm Security Administration which established migrant camps for farm workers. In any case the analyst who is to report the factors of influence in a decision to move the regional office would describe the developments in events which caused a change in the tempo and volume of the agency's work.

Similarly, events may change the emphasis in the work of an agency and affect a decision. Because a prewar aircraft industry was established in Los Angeles and because the need of increased production became paramount in the early 1940's, any agency which dealt with the procurement, development, production, or protection of airplanes might have found reason to move its regional headquarters as a result of the new emphasis on aircraft production in its work. Such agencies would include Army Air Forces, War Production Board, Army's Counter Intelligence, Army's G-2 intelligence and security, the Federal Bureau of Investigation, and perhaps others. Because Los Angeles is the center of motion picture production and the secondary center of radio production, the Office of War Information might decide to move regional headquarters in a time when radio and cinema became unusually important to government publicity. Or the Treasury's bond-selling campaign which was aided immeasurably by radio and motion picture performers might decide to move headquarters in response to the new emphasis on sales to the mass public. Whatever the cause for a change in emphasis, the analyst should note it.

2. *Knowledge from research and analysis.* Under this heading the analyst would list the factual data which had been considered by the group of participants (in contrast to the knowledge of the individual persons) who influenced the decision to move from San Francisco to Los Angeles. Obvious items would be population figures, cost of living, available housing for employees, relative volume of business through the two ports (in the case of foreign trade agencies), number of workers in the aircraft industry, number of migrant workers (in the case of relief agencies), or trends in any of these or other figures.

3. *The expectations of individuals or groups to whom the decision-makers are re-*

sponsible. A proposal to change the location of a regional office can arouse a turbulence of argument beyond rational justification, so it will be important to record the alternative expectations of the groups to whom the deciders are responsible. In this illustration which involves government agencies, these individuals and groups will be chiefly the members of Congress, the clients of the agency, and the employees.<sup>5</sup> All of these in San Francisco will become exceedingly disturbed over the threat of change, while Congressmen and clients in Los Angeles will be demanding change. Their reasons will fall into a pattern which should be recorded in the report of the decision-making. Probably the debate will produce contradictory evidence and in the end the individuals who make the decision will have to rely upon their own findings and their own judgment. They will, however, have to consider the relative weight of the political influence of the two groups of Congressmen and clients and of the employees as well, for employees have an abhorrent way of inspiring pressure for their own interests. The forces of San Francisco will produce reams of argument and perhaps even simple threats to keep the office. The forces of Los Angeles will produce an equal amount of argument to get the office. The purpose of the analyst of decision-making is to record these pressures as they are transmitted through the individuals who affect the final decision.

4. *The reputation of the agency.* Responsible officials will guard very carefully the good name of their agency. Perhaps in this case the press and radio have criticized an agency for inadequate operations in Los Angeles. Or perhaps the people who make the decision feel that the reputation of the agency will suffer if a move from San Francisco is made. The analyst would attempt to segregate and record the evidence of any change or potential change in the reputation of the agency which might affect the decision.

5. *The security of the agency.* Every agency stands to some degree in jeopardy of being reduced in size or even abolished. The individuals within the agency are personally con-

<sup>5</sup> The owners of office space can be another powerful group in times when rental property is in surplus and tenants are scarce.

cerned, of course, and their own interest in survival with an income and reputation enters their decisions, as noted above in the discussion of personal factors. In addition, there is an institutional concern which comes from the collective interests of these individuals and also from the history, traditions, and other properties of the agency itself.

Just as individuals may be ambitious for personal advancement, an agency through the collective unity of views and purpose of the individuals who compose it will tend to show in decisions made within it the influence of a desire to expand. Most people who reach positions of influence are of the type that see opportunities for work that should be done, sometimes because they want personal advancement, but oftener no doubt because they are interested in the technical possibilities of their work or they see a chance to enlarge the agency's contribution to a larger group. When analyzing a decision, we should look for the influence of the possibilities for agency expansion.

Obviously the members of Congress who support San Francisco will be a future threat to the security and the possibility for expansion of the agency if headquarters are moved to Los Angeles. The clients in San Francisco could also be a threat through their ability to influence Congressmen and publicity. On the other hand, the proponents of Los Angeles will have their influence and their weight in Congress, which is the giver of all appropriations and all security to hag-ridden federal officials who think of agency security. Furthermore, the larger volume of work in Los Angeles, which might be assumed if the move is to be recommended, would mean an opportunity to make the argument for an expansion of the agency in size and function. The participants in the particular decision to move this regional office will have to weigh the relative threat and support, and the analyst of the decision will have to record the factors under this heading which influenced the decision.

6. *The resources available.* The points to record under this head are fairly obvious. Is there enough appropriation to pay higher office rent, if it is higher, or to pay for the cost of moving employees' households? Will there be enough personnel to take care of the larger

volume of work in Los Angeles pending a possible expansion of personnel? Is there enough office space? Is there enough housing for employees? These and other considerations will inevitably come before the people who make the decision.

7. *The legal conditions which affect the decision.* Laws sometimes specify in considerable detail the terms under which agencies work. In this hypothetical case of a move from San Francisco to Los Angeles, conceivably the law which established the agency could have provided for the location of field offices in certain cities. Or if the move to Los Angeles involved the assumption of functions not previously handled by the agency, a question of legal authority to take on the new functions would have to be faced. The analyst would record these possible legal impacts upon the decision to move.

#### *In Conclusion*

THE argument here has been that the making of decisions is at the very center of the process of administration and that the discussion of administration will be more systematic if we accept a framework for the analysis of decision-making. Further, the argument has been that decision-making is fundamentally a matter of interpersonal relations and that personal factors are represented by the persons involved. I have suggested certain personal and ex-personal factors as those which should be analyzed for the systematic description of how any particular decision was reached. These may not be all the factors. They may not even be the appropriate factors. They are the ones I would choose as the beginning for such an analysis. If we are to develop a more precise description of the process of administration, we should work by mutual experimentation and mutual agreement toward an accepted framework for the analysis of decision-making.

If we agree on a framework, analysts inside or outside an organization, working alone or in teams, reporting on a variety of decisions in one level of government or on similar decisions in local, state, or federal governments can through time develop a revealing body of information which will be pertinent both to an understanding of administration and to advice for the direction of public policy.

# Civilian Personnel Administration in the War Department

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THE program of civilian personnel management in the War Department which evolved from the wartime emergency was in complete contrast to the prewar picture. This program was characterized not only by its utilization of the full range of personnel techniques, but also by the greatest decentralization of personnel authority in the history of the federal service.

The story of decentralization, both in its effect on the development of personnel administration at the field installation level and in the organizational provisions for the planning and control of the decentralized program, is believed to be of especial interest at this time because of the apparently growing trend in the federal service toward decentralization of administrative decisions to the field level. The War Department's experiences are also interesting because of the special efforts needed to achieve a progressive program of civilian personnel management in a military agency, the successful development of the concept of personnel administration as an integral part of management responsibility, and the tremendous wartime load in terms of numbers of personnel and the rapid expansion of the entire department at a time when the labor supply was at its lowest ebb.

## *Peacetime Program*

IN THE years preceding World War II the War Department had not developed a personnel program in any real sense of the word, nor was there any conscious recognition of the need for a formalized program to deal with the 70,000 people making up the civilian com-

ponent of the department. The so-called "positive" elements of personnel administration, such as training, a program of employee-management relations, employee services, a wage plan, counselling, and grievance procedures, were present neither in title nor in practice. The program was almost entirely concerned with approving personnel transactions.

Little authority was delegated to the installations in the field—the arsenals, ports of embarkation, manufacturing depots, air depots, district engineers, and posts, camps, and stations. The field could deal with local offices of the Civil Service Commission for the appointment of employees at the lower and middle levels; but appointments to higher positions, changes of classification and pay rates, and transfers were tightly controlled by the bureaus and the Office, Secretary of War in Washington.

Executive Order 7916 of 1938, which provided for the appointment of directors of personnel in federal departments and agencies and established the Federal Council of Personnel Administration, was coldly received by the then Secretary of War, who refused to appoint a director of personnel. Continued pressure from the White House finally forced the Secretary to establish the position of director of personnel, and in September, 1939, A. H. Onthank was appointed to it.

The declaration of an emergency in 1939 as a result of war conditions in Europe caused a rapid increase in the size of the department and gave impetus to the establishment of a positive personnel program. By the end of 1939, the number of civilian employees had

increased from 70,000 to well over 100,000. The passage of the Selective Training and Service Act of 1940, calling for a peacetime draft for one year of service in the Army, meant additional expansions in all of the department's establishments to induct, clothe, house, and train the hundreds of thousands of new military personnel and maintain their records. The continued increase in the size of the department caused the existing personnel setup to strain at the seams and within one year after his appointment the new director of personnel began formulating plans for organizational and procedural changes in the personnel program to meet these new developments.

#### *First Wartime Changes*

As a result of centralization of administrative decisions in Washington the time involved in securing approval of personnel actions was excessive. It was also felt that a number of inaccuracies were occurring because of the distance of the approving office from the initiating installation. The director, therefore, established nineteen civilian personnel field offices to expedite the recruitment of civilian personnel; approve appointment, promotion, transfer, and separation actions; approve position classifications; serve as advisers to field installations on personnel administration; report to the Secretary of War on the status of civilian personnel; respond to public inquiries concerning any matters relating to civilian personnel; and operate generally as a liaison agency between the War Department and the Civil Service Commission.

Beginning in December, 1940, authority was delegated from the bureaus of the War Department to their field establishments to permit them to utilize the full services of the field offices. Initial delegations were for actions up to and including \$2,600 per annum. In December, 1941, they were expanded to include actions at least up to and including \$4,600 per annum.

The number of civilian personnel continued to grow rapidly. There were 113,506 in June, 1940; 308,591 in June, 1941; 853,551 in June, 1942; and a peak of 1,375,000 in June, 1943. The fact that the department increased in size twelvefold in three years is one of the

most significant indicators of the difficulties that were encountered in developing the personnel program.

The field offices were a marked improvement. Actions were speeded up, decisions were more valid because of the proximity of the approving office to the operating stations, and the consulting and coordinating activities of the offices were gradually raising the level of personnel administration throughout the department. By the middle of 1942, however, it became apparent that even further decentralization was necessary. The volume of actions was becoming so huge that delays were again occurring and the secretary's office and the field offices were so occupied with paper work that little time was left for effective planning, development, and control of the personnel function. Also, progress in the field installations in developing personnel programs was not rapid enough, owing to the absence of any local authority and to the difficulty of promoting the personnel job as an integral part of top management responsibility.

During 1941-42, three significant developments took place which served to lay the groundwork for an effective program of complete decentralization. In March, 1941, Lawrence Appley, long a leader in industrial personnel management, was appointed as an expert consultant on personnel management to the Secretary of War; in March, 1942, the entire War Department was reorganized so as to provide for greater integration and for the delegation of authority to make administrative decisions; and in June, 1942, the Secretary of War established a council on civilian personnel which brought representatives of the top commands into the personnel planning function.

Appley's greatest contribution was in obtaining recognition of a more dynamic concept of management, with personnel administration as one of the chief management responsibilities. He argued that the personnel office should be placed directly under top management with a leadership responsibility for obtaining a high level of personnel administration by the operating chiefs in their daily work operations. The supervisor was the key figure, representing management to the worker and putting management plans into



effect. He played an important part in indoctrination, orientation, on-the-job training, reassignment, promotion, disciplinary actions, grievances, work improvement, employee morale, worker-management relations, and employee counselling. His efforts, of course, needed to be directed and supplemented. Management had to determine its basic plan of action, train the supervisors in the handling of their personnel responsibilities, exercise control over supervisors to see that they discharged their responsibilities properly, and supplement their efforts with trained specialists.

Appley, together with William H. Kushnick, who replaced Onthank in 1942 when the latter entered military service, argued that if the control of the human element was a major management responsibility of the supervisor, then management had to have authority commensurate with that responsibility. The exercise of close controls on individual actions by higher echelons defeated any development of personnel consciousness at the field installations. Appley and Kushnick proposed to delegate complete authority to each operating office, develop top staff leadership and adequate administrative controls, and then hold the operating offices completely and finally responsible, subject only to certain postaudit reviews.

In March, 1942, the entire War Department was reorganized to meet the emergencies of the war program. The reorganization had two major objectives—to reduce the span of control of the Chief of Staff and to decentralize the making of administrative decisions. The reorganization and the decentralization had broad implications for the civilian personnel program. Greater administrative authority was delegated by the bureaus to the field stations and a strong precedent was set for the delegation of all operating personnel authority to the field level. The integration of the services and bureaus also made it possible for the civilian personnel division of the Office, Secretary of War, to perform its planning and coordinating function more effectively because it had to deal with only three major commands rather than with twenty-three bureaus, arms, and services.

On June 1, 1942, the Secretary announced

the creation of the council on civilian personnel, chairmanned by the director of personnel, and with representatives from the major commands and offices. The functions of the council were to recommend to the Secretary needed policies or changes, take action to insure uniform personnel administration throughout the department, recommend exceptions to established policy, provide machinery for estimating personnel needs, supply continuous impetus toward simplification of procedures, and provide a medium for open discussion of pressing major needs relating to civilian personnel activities. The council met for the purpose of formulating plans and developing and coordinating the personnel program. The department now had a top advisory group that gave assurance of coordinated effort and a uniform policy among all commands and bureaus. Representatives from the operating offices presented their problems, aided in formulating plans for solution, then directed within their commands the execution of the plans they had helped to develop.

#### *Decision to Effect Complete Decentralization*

**I**N AUGUST, 1942, the Secretary of War announced the program of complete decentralization of personnel authority to the lowest practicable operating echelon. The program provided for simple, direct procedures for accomplishing personnel transactions, the location of authority to act where responsibility for achievement rested, and aggressive leadership in the development of the personnel concept in War Department management. The field installations now had authority to effect appointments, promotions, transfers, separations, and so forth, classify graded and ungraded positions, carry on necessary training programs, develop effective employee relations programs, handle grievance and disciplinary actions, operate suggestion systems, and carry on other personnel functions with a minimum of reference to higher authority. Actions, of course, had to comply with basic laws, regulations, standards, and policies affecting civilian employment, and installations were subject to a postaudit of their programs, but the decision to act on individual cases now rested with the installations.

This decentralization has been considered

the most extensive in the federal service. Beneficial effects were soon apparent. The personnel function at the station level developed greatly in stature and recognition. Rapid and more accurate personnel actions were secured because of local authority and knowledge. The quality of station programs developed markedly as a result of increased authority and responsibility, and the stations were able to secure higher grade personnel administrators. All of this added up to sounder management in the development of techniques for the more effective utilization of employees.

#### *Policies and Procedures Statements*

THE decentralized program required the development of detailed statements of policies and procedures for distribution to the field stations. To this end the Secretary's office engaged in a program of policy formulation, codification of personnel regulations, improvement of the system for issuance of personnel instructions, preparation of classification standards, and development of manuals and pamphlets on various personnel procedures and techniques. These civilian personnel instructions were published in the form of regulations, circulars, procedures manuals, pamphlets, a manual of classification standards, and civilian personnel and payroll letters.

The civilian personnel regulations were first issued in October, 1942, and presented in codified form all requirements governing personnel actions. Regulations were numbered in the order in which personnel actions normally occurred and were filed in loose-leaf binders so that they could be kept up to date. They were prepared in great detail, and provided the first collection of all regulations pertaining to civilian personnel; they covered War Department orders and memorandums, civil service rules and regulations, decisions of the Comptroller General, Executive Orders of the President, and acts of Congress. The regulations were maintained on a current basis through periodic issuance of changes, revisions, and new regulations.

Circulars served two purposes—(1) quick publication of new or changed requirements or promulgation of instructions of short duration and (2) the transmission of instructions

originating outside the department. Single instructions could be issued as circulars without the delay involved in rewriting the pertinent regulation. Instructions of a permanent nature could then be incorporated in later revisions of the regulations.

Several procedures manuals were issued in order to clarify, simplify, and standardize the work required to effect personnel actions. The manuals prescribed, explained, and illustrated the forms to be used and the procedures to be followed for appointments, transfers, reemployments, position changes, pay changes, separations, records and files, classification and wage administration, placement, employee relations, training, efficiency ratings, awards for civilian service, suggestions awards, reporting, and reductions in force. The manuals included flow charts, descriptions and specimens of all necessary forms, and instructions on each step taken in processing personnel actions.

The object of the pamphlets was to place in the hands of operating personnel officers materials concerning various personnel activities beyond the strict requirements of basic policies, procedures, and standards. They were usually educational and advisory in nature, designed to serve as handbooks and to give aid in the development of local personnel administration. Subjects covered included employee relations, exit interviews, personnel counselling, employee services, common sense in disciplinary actions, placement interviews, orienting employees, employee handbooks, employment of women, military reemployment rights, job classification, classification and wage surveys, employee suggestion programs, efficiency rating conference guide, conference leadership, planning for reduction in force, and on-the-job training.

In order to assure uniform classification action a manual of standard job descriptions was published in September, 1942. The manual was kept current through the issuance of new standards, which were constantly being prepared, and was supplemented by standards prepared by the commands and bureaus for positions peculiar to their offices. Manuals were issued to all stations and served as the basic standards for the local analysts in classifying jobs.

Civilian personnel and payroll letters were

issued in question-and-answer form in an effort to provide answers to the more important operating questions on interpretation of procedures and regulations.

Although the Secretary's office was the only one authorized to issue basic policy or procedural statements, the commands and bureaus prepared a number of supplemental instructions, manuals, and pamphlets to meet specific operating needs or to set forth in greater detail the method of executing original instructions. No instruction of the Secretary's office could be changed or quoted in part in publications of the commands; each was either quoted in full or merely cited in order to prevent misinterpretation. The commands and bureaus issued many fine documents which supplemented the work of the Secretary's office, and operating personnel officers thus had available an impressive list of written statements on the personnel function.

#### *Initial Development of Local Personnel Programs*

FOLLOWING the decentralization order, the immediate problem facing the War Department was the building up at the field stations of personnel programs and offices of sufficient stature to carry out the intent of the decentralization. New concepts of personnel administration and full knowledge of personnel techniques needed to be developed at the stations.

The commands and bureaus, relieved of the detail of individual personnel actions, intensified their supervisory programs. Strong pressure was exerted on the stations to expand their personnel concepts, secure trained personnel administrators, and place the personnel office on a high organizational level. Conferences and training courses were held and technical assistance provided. Continuing efforts were made to impress local commands with the importance of their new authority and responsibility and strong directives were issued to step up their pace in assuming the new functions.

In the meantime, the Secretary's Office postponed a program of formal inspections for one year in order to concentrate on the establishment of the new program. Upon inactivation of the civilian personnel field offices, a number of representatives were stationed in the field to

visit assigned installations periodically to give advice, assistance, and general guidance to commanding officers and personnel officers; assure compliance with all policies, procedures, and standards through informal inspections and reviews; report accurately and comprehensively on field conditions, describing trends, problems, and the effectiveness of policies; coordinate the several forces and services in the field; and serve as liaison with the Civil Service Commission, the War Manpower Commission, and other agencies.

These representatives assisted the field installations through promoting the importance of the personnel function, holding training conferences and providing training courses, conducting classification surveys, and making informal inspections. Their objective was to accomplish, in as short a time as possible, the conversion of the stations from a record-keeping personnel job to one embodying effective use of the complete range of personnel management. Close observation of field conditions enabled them to report to the Secretary on the effectiveness of all policies and procedures and made possible the issuance of more pertinent and valid policy statements.

Within one year the decentralized program was well established and field stations were carrying on in a satisfactory manner. The director of personnel now felt that the program of concentrated assistance should be replaced by a formalized inspection program to assure conformance to all necessary personnel requirements and policies.

In October, 1943, the Secretary announced the initiation of a program of formal audits and inspections of personnel administration at the field stations as a means of securing compliance and of making a careful evaluation of personnel management in the individual establishments.

Inspection groups were established in the field to review for the Secretary all phases of the program of field installations. Various members of the group evaluated different parts of the program. The team leader evaluated the management program, management's attitude concerning civilians and civilian personnel management, the relationships between the personnel officer and the commanding officer and between the personnel office and the oper-

ating and staff offices, the general circumstances pertaining to each station such as length of existence, location, mission, number and type of employees, community relationships, and the employee relations program including counseling activities, transportation, orientation, exit interviews, employee services, employee-management relations, and grievance and disciplinary actions.

The placement and training specialist on the team evaluated provisions for initial hiring and placement, in-service placement, maintenance of skills inventories, promotion policies, need for skills training and the relationship of training programs to training needs, on-the-job training by supervisors, off-reservation training, and programs of safety engineering, inspection, and training.

A procedures and regulations specialist reviewed the operations of the personnel office—its organization and work assignments, the abilities of staff members, its adherence to standard operating procedures as to forms, records, steps in processing, and its conformance to all legal and regulatory requirements in such matters as appointments, separations, leave, reductions in force, reemployment of veterans, retirement records, efficiency ratings, suspensions, removals, accident compensation, and demotions.

In the area of salary and wage administration a staff of inspectors evaluated the program as to validity of the wage structure for ungraded jobs, operating officials' understanding of classification, provisions for keeping classification current, and availability of such working tools as organization charts, accurate job descriptions, statutes, regulations and directives, and functional statements of the operating units. They also audited a substantial sample (usually over half) of the jobs on the station to determine the degree of conformance to required standards.

The inspection of a station normally took about two weeks. An initial conference was held with the commanding officer, and often a special meeting was arranged with the division heads, at which the purposes and procedures of the inspection were discussed. A conference for the same purpose with the staff of the personnel office followed. In accordance with the concept that supervisors and operating people

were the key figures in personnel administration a majority of the contacts were made in the operating sections. Thus, evaluation was not confined to the work of the personnel office but was also concerned with the personnel attitudes and programs of top management and the operating offices.

During the course of the audit no disclosures were made to operating personnel and no opinions voiced as to apparent weaknesses or mistakes, but a number of the problems were discussed with the personnel officer. Upon completion of the audit a meeting was held with the personnel officer and his staff in order to discuss fully all the findings and to outline the recommendations and suggestions that would be made. The meeting was for two purposes—to validate the findings of the inspection team and to give a maximum amount of assistance to the station in the furtherance of its personnel program. A final meeting was held with the commanding officer in order to present a summary finding of the inspection.

Upon completion of the inspection a detailed formal report was prepared covering the nature of the installation, a discussion of its general personnel program, an evaluation of personnel needs and of efforts to meet them, and recommendations to secure compliance or suggestions for improvement of the program. These reports were submitted to the Office, Secretary of War in Washington. The original of the final report was sent to the station, and, simultaneously, copies were forwarded to force and service headquarters. The station was then required to report by indorsement the action it had taken as a result of the report.

#### *Personnel Techniques and Procedures under the Decentralized Program*

THE real test of the department's program of decentralization was, of course, in its ultimate effectiveness in the operating stations. It was not possible for the department to prescribe in detail a program to fit every station since they varied too much in size, location, type of work performed, and length of existence to expect one standard pattern to fit them all. Nevertheless, the basic program here described illustrates the requirements of the department and their general application by the stations.



The over-all personnel program, as set forth in War Department Administrative Memorandum W-6 of January, 1943,<sup>1</sup> called for a total working environment conducive to stimulation of the best endeavor; no discrimination on the basis of race, sex, color, religion, national origin, or political affiliation; all appointments in accordance with civil service laws and on the basis of merit and approved qualifications; in-service placement to correct poor assignments and for the maximum utilization of skills; vacancies to be filled by promotion whenever possible; training programs to be established for the further development of employees; equal pay for equal work; counselling services to assist supervisors and employees in achieving satisfactory adjustment on the job; safe, pleasant, and healthful working conditions; use of conferences for free interchange of ideas in recognition of the need for coordinating the thinking of all levels of administration; establishment of grievance procedures; recognition of rights of employees to join or refrain from joining unions; and publication of all policies affecting personnel administration.

The personnel officer was considered an adviser to the commanding officer and placed high in the organization so that he would always know management's plans and problems. The personnel officer had three major functions: (1) to work out in cooperation with management officials the personnel program of the station; (2) to advise and consult with operating officials on their personnel problems; and (3) to advise the commanding officer on the status of his personnel program. In all of its activities to promote good personnel practices the personnel office concentrated its efforts on the supervisory force in recognition of the part which the supervisor must have in making the total personnel job effective.

The personnel offices were organized into five sections—employment, including recruitment and placement; training and safety; classification and wage administration; employee relations; and payroll and records. The close coordination of these sections was strongly emphasized, and an effort was made to minimize specialization in order to obtain effective teamwork for the entire office.

<sup>1</sup> Replaced by Civilian Personnel Regulation No. 2 of November, 1945.

### *Recruitment and Placement*

RECRUITING problems were typical of wartime. Labor was scarce, and a number of recruiting drives were initiated in cooperation with the Civil Service Commission. It was difficult to secure skilled applicants and the problem was to obtain applicants who could be developed and trained for specific jobs. This placed a heavy load on training and placement officers.

It was considered that the line supervisor did the actual hiring in the sense of conferring employment. Placement advisers counselled and assisted operating officials by preliminary screening and referral of the best qualified people, arranging for reassignment of employees who were not developing properly, and suggesting methods of using abilities of employees to better advantage. The placement advisers made regular visits to supervisors to discuss the filling of vacancies, the requirements of jobs, the questions to ask applicants during the interviews, and the evaluation of present employees. Followups on initial placements were made at the end of thirty days to determine the fitness of the new employee for the job.

For the in-service placement job, skills inventories were maintained and the performance of employees was constantly discussed with supervisors and recorded in order to single out the best people for the open jobs and to chart the progress of the individual employee.

Special problems in placement were raised by the need to dilute jobs in order to train new employees for specific skills in a short time; the large number of women employed (about 40 per cent), most of whom had never done industrial work; and the large number of unskilled recruits who had to be placed in anticipation of acquiring the training to perform skilled work.

### *Training and Safety*

APPROXIMATELY 80,000 people were in training every month during the war period, most of them in industrial work. Private and commercial school facilities were used, as well as complete machine training schools at the stations. There was training for mechanics, clerks, chauffeurs, technicians, engineers, storekeepers, and so forth in every stage of devel-

opment. The great majority of aircraft mechanics, for example, were recruited from the ranks of the unskilled and trained to perform skilled work. Programs included skills training, both pre-service and post-assignment, to enable workers to learn a skill or to become more skilled. Upgrade training courses were common. Clerical training was given for all types of clerical and storekeeping work.

Whenever practicable on-the-job training was given workers while at their productive work stations. Jobs were broken down into individual operations and steps, and the progress of trainees on each step was watched closely and charted. On-the-job training was given to new workers, to workers whose jobs or whose duties on the same job had changed, and to the workers who showed weaknesses in the performance of any operation. On-the-job training was the responsibility of the operating officials, supplemented by staff assistance from the personnel office. Where the load was light, the supervisors did the entire job; but when the load became heavy, experienced workers or special instructors were assigned.

Extensive courses in supervisory training were given, including basic job relations, job methods, and job instructor programs. An attempt was made to follow through on these programs in order to insure that their principles were put into practice. Regular training conferences for supervisors and operating heads were held, covering the principles of supervision, management and personnel practices, work improvement, and organization methods.

Industrial safety was an integral part of every station's production problem. Extensive safety training programs were carried out, and safety engineers and inspectors were constantly working to improve safety devices and to eliminate unsafe working conditions.

#### *Classification and Wage Administration*

**T**HE problems of the War Department in classification differed somewhat from those of other federal agencies in that over half the jobs were of a skilled and semiskilled trades and labor nature, the so-called ungraded jobs, and were not subject to the Classification Act of 1923, as amended. The two groups differed in one major respect, that of salaries. Salaries

for graded positions covered by the Classification Act were fixed according to grade level, and the salaries were uniform throughout the country. Ungraded positions were not covered by an act of Congress, and the rates of pay were set by the War Department on the basis of local prevailing rates of pay.

In other respects the classification staffs analyzed the two groups of jobs, graded and ungraded, according to similar techniques. Analysts prepared position descriptions, often based on rough descriptions prepared by the supervisors. Investigations were made of most positions to get complete facts, and no position could be filled by promotion or original appointment until it had been officially classified. Organization charts, functional statements, position description files, and position control cards were maintained as aids in the classifying process.

Supervisors had access to the standards available to the station analysts and were expected to participate actively in the classification program. The station analysts, in addition to final classification of positions, were also responsible for securing a full understanding of classification on the part of supervisors—its purposes and objectives, knowledge of job content of subordinate positions, ability to recognize job changes, and the requesting of personnel actions calculated to assure equitable pay structures.

The program for ungraded wages was a pioneer effort in the federal service and was one of the best examples of wartime advancements in personnel administration. Prior to 1942 the War Department had no systematic, uniform plan for the setting of wages or classification of positions in the skilled trades, helper, and laborer designations. In October, 1942, under delegation of authority by the War Labor Board, the wage administration section of the Army Service Forces undertook the establishment of a complete wage system.

Locality wage boards were set up to survey prevailing wages in given areas. The boards, manned by representatives from War Department stations in the area, were fact-finding bodies; and the wage data were submitted to the wage administration section for analysis and final setting of rates of pay. The jobs surveyed were approximately forty key jobs se-

lected by the wage section. In the setting of wage scales all other jobs were compared to these key jobs on the basis of the factors of experience and training required, application required, responsibility involved, physical demands of the work, and working conditions. The wage data for the forty key jobs were plotted on a scatter diagram, the ordinate of which showed the cents per hour and the abscissa the number of "difficulty" points assigned to the jobs. A line of best fit was then determined by the method of least squares, and from this line was determined the cents per hour rate for a job of any given difficulty points.

In order to guide the stations in classifying jobs, ladder diagrams were submitted by the stations for approval by the wage administration section. The diagram was a chart with about thirty grades representing difficulty. A station ranking committee listed all jobs from high to low, on the basis of the five factors, compared them with the forty key jobs and then placed them in the proper grade on the ladder diagram. This ladder diagram, when approved, was a list of authorized jobs for a station; and the station analysts then rated each job according to the "standards" as represented by the diagram. In order to establish new types of jobs, position descriptions were submitted to the wage administration section for inclusion on the ladder diagram.

The two outstanding elements in the classification and wage administration program were the system for ungraded wages and the decentralization of authority to classify positions. Under this decentralization, commanding officers were given authority to effect the final classification of positions, and were held responsible for conformance to authorized standards. The actual classification job was accomplished by analysts in the personnel office, in the interest of eliminating delays and achieving more valid results. Through availability of the knowledge and organization skill of the analysts, it was possible for classification to become a real "tool" of management.

#### *Employee Relations*

**T**HE employee relations staff worked closely with the supervisory personnel to supplement, but not supersede, the job of the super-

visor. Comprehensive orientation courses were held for new employees to get them started right and to explain the local ground rules. Counseling services were established to coach the supervisor in handling employee problems or to assist directly on problems beyond his ability to handle, such as health matters, mental adjustments, difficulties off the job, certain types of job complaints, and dissatisfaction with station policies. Counselors tried to help individuals to help themselves. Facts, information, and referrals were given to the employee to aid him in coming to a wise decision. Results of counseling interviews were kept confidential although the general information uncovered was turned over to management for correction of weaknesses or issuance of policy statements.

Extensive labor shortages and acute displacements caused by the establishment of new stations required a varied employee services program. Typical activities with which the stations helped employees were housing, transportation, eating facilities, health and medical care, recreation, child care, commercial facilities, credit unions, and employee welfare associations. The employee services program was worthwhile and necessary. A great many stations were new and were located at some distance from community facilities, and most of the employees were new to the station and the community and needed help with outside activities and services.

Exit interviews were held to determine the causes for leaving, in an effort to keep the turnover rate down and to correct any bad situation in the station.

#### *Rules and Regulations*

**T**HE personnel office was charged with seeing that there was legal compliance with all rules and regulations, interpreting rules for operating officials, and administering certain administrative services. These covered regulations on time and leave, overtime and base pay computations, withholding tax and retirement deductions, administrative increases, efficiency ratings, military furloughs, reductions in force, statistics and reports, preparation of personnel notices, and maintenance of personnel records of employees.

The personnel officer served as the key ad-

viser to the commanding officer on the issuance of policies and in making legal, equitable, and uniform decisions on such matters as granting of leave, tours of duty, shift assignments, promotion policy, penalties in disciplinary actions, amount of overtime to be worked, use of lunch rooms and shopping centers, and rest periods. In general, it was considered that the effect on the morale of employees was dependent, to a large extent, on wise administration of the rules governing their status. Insurance of such "wise administration" was the job of the personnel officer.

#### *Related Personnel Functions*

A NUMBER of special provisions in the personnel field were sponsored by the personnel offices, although in some cases they had no direct responsibility for their administration.

A systematic employee grievance procedure was adopted providing employees with an opportunity to express dissatisfaction with circumstances or conditions surrounding their employment. The basic provisions were that the grievance procedure must be formulated in writing by each station; that an employee had the right and obligation to consult with his immediate supervisor concerning any problem; that an employee had the right to select a representative to present his grievance; that advice of the personnel office could be obtained, although its recommendations must be advisory; that grievances should be settled promptly by the immediate supervisor, and failing settlement should be given prompt consideration by higher levels, including the commanding officer; that cases going beyond the second supervisor must be formalized in writing, and all statements against individuals reduced to writing; that before a final decision was made, a hearing would be held before an impartial committee which would make findings of fact and recommendations to the commanding officer; and that employees would be permitted time off without pay to present grievances.

An employee suggestion program was established, with review committees on the stations. Employees were encouraged to think about their jobs and submit suggestions for improvements. A great deal of publicity was given and awards were made for suggestions dealing

with health, safety, or welfare, with changes in forms or administrative procedures, and with changes in production methods resulting in a measurable saving of money or increased production. For welfare and administrative suggestions awards of from \$5 to \$250 were given; for suggestions which could be measured in terms of money or man-hours saved, the award was set on a percentage basis on a sliding scale so that, for example, a saving of \$100,000 would bring an award of \$725. Awards under \$250 were approved locally, but a number of awards in excess of that amount were approved by the War Department Board in Washington. In the first year of operation, June 1943-June 1944, 109,011 suggestions were submitted, 9,884 adopted, a total of \$230,714 awarded to employees, and an estimated yearly saving made of \$22,242,197. Three awards of \$1,000 each were given for suggestions which were adopted throughout the department as standard procedures.

In addition to provisions for within-grade salary increases for superior accomplishment and exceptionally meritorious service, the department developed emblems for civilians. The basic emblem was awarded to civilians with six months' service; the meritorious emblem, for ten years of faithful and satisfactory service or for meritorious service regardless of time served; and the exceptionally meritorious emblem for service within and beyond the call of duty.

In order to handle disciplinary actions properly and uniformly a special pamphlet entitled *Commonsense in Disciplinary Actions* was published for use by supervisors. This placed the whole field of penalties on a public basis and provided for more equitable treatment. Causes and permissible penalties, as well as the best methods of administering penalties, were listed in the pamphlet.

Employee-management councils were established at a number of stations, providing for free interchange of information between employees and management. Elected representatives of employees below the supervisory level met regularly with the commanding officers to discuss and get management's reaction to any type of problem in personnel, production, safety, management practices, and so forth.



*Summary and Evaluation*

**T**HE principal obstacles the War Department had to overcome in establishing an effective civilian personnel program were:

1. The absence of any basic program that could be expanded for wartime operations. The department, in effect, started from scratch in setting up its program.

2. Resistance to changing the personnel program for civilian employees. Years of inertia in the civilian personnel field had so influenced older employees and military officers that they could see no necessity for, and in many cases actively opposed, the establishment of any new concepts or procedures in the employment of civilians.

3. Confusion and complication in military-civilian relationships. Mutual lack of understanding of differences in and of difference between military and civilian personnel principles caused many delays in the development of civilian personnel management.

4. A tremendous rate of expansion. Civilian employees of the department grew from 96,500 in June, 1939, to 1,375,000 in June, 1943.

5. A depleted labor market.

There are a number of factors to the credit of the department in meeting this challenge, the principal ones of which are listed below:

1. The department took immediate action. Decentralization to field offices occurred in January, 1941; complete personnel authority was delegated in September, 1942; a program for wage administration was initiated in the fall of 1942; publication of complete regulations, guides, pamphlets, manuals, and standards began in October, 1942; a formal inspection program was instituted in October, 1943; and beginning in 1941 a number of civilians prominent in the industrial personnel field were called to the department as consultants or regular employees.

2. The council on civilian personnel was an extremely effective device for the joint consideration by line and staff agencies of all major policies affecting civilian personnel.

3. Through coordination of the efforts of the personnel officials in the Secretary's office and the Forces, a dynamic and progressive

concept of personnel administration as a top management responsibility was promoted and adopted.

4. The decision to decentralize and delegate complete personnel authority to the operating stations proved to be the best possible answer to the problems of size, urgency, and adequacy of programs. Possessed of commensurate authority station commanders were well able to discharge effectively their responsibility for civilian personnel.

5. The efforts of the Secretary's office and the Forces, following the decentralization order, in developing a high-pressure promotional campaign to convince field officials of the importance of the personnel function resulted in the remarkable record of converting in less than a year from a record-keeping personnel job to a positive program with well-developed techniques.

6. The promulgation of detailed, comprehensive, and well-written regulations, circulars, pamphlets, manuals, and standards made possible correct and uniform action in all stations.

7. The number of forms was reduced, delays were eliminated, procedures simplified, and responsible officials given authority commensurate with their responsibility under the new program.

8. Military-civilian differences were considerably reduced through the development of a progressive concept of personnel management.

9. The personnel program developed by the central offices, and applied in the field stations, was complete and comprehensive, including practically all recognized personnel functions.

10. The inspection program marked a new and important trend in federal personnel management. The complete decentralization of personnel authority was definitely a pioneer step in the federal service. With the decentralization it was necessary to assure the adequacy of the field programs and their compliance with all departmental requirements. To answer that problem the department engaged in another pioneering effort by installing a program of complete audit and inspection of the personnel function, not only to assure compliance but to provide for continuing improvements.

# Reviews of Books and Documents

## The Failure of a Commission

By C. Herman Pritchett, University of Chicago

RAILROAD CONSOLIDATION UNDER THE TRANSPORTATION ACT OF 1920, by WILLIAM NORRIS LEONARD. Columbia University Press, 1946. Pp. 350. \$4.00.

### I

IT is not so long since the Interstate Commerce Commission was the king of American regulatory agencies, a king that could do no wrong. After an early career as a radical St. George crusading against the dragons of Wall Street, railroad regulation came to be accepted and the ICC achieved middle-aged respectability. The Supreme Court, an early antagonist of the agency, now referred to it respectfully as an administrative tribunal "appointed by law and informed by experience." The commission, in fact, came to share much of the deference customarily accorded to courts. President Hoover wrote that he would no more think of trying to influence a decision of the ICC than a decision of the Supreme Court itself. Professor Sharfman erected a five volume monument to the agency. Congress exempted it from the provisions of the Reorganization Act of 1939 and the Walter-Logan bill of 1940.

Recently, however, life with the father of the regulatory agencies has become more grim. A series of disastrous train wrecks has focused attention on its alleged failure to compel the adoption of effective safety devices and practices by the roads. Complaints are heard that the commission is dominated by the mentality of the railroads it is paid to regulate, according to the law expounded by one Washington observer to the effect that "in our society, the gravitational pull exerted by huge masses of capital inevitably forces into their orbit the agencies set up to regulate them."

Rate practices of the ICC have been par-

ticularly under fire. Rate-fixing through private associations tolerated by the commission has been attacked by the Department of Justice as contrary to the antitrust laws, and by representatives of the southern and western sections of the country as discriminating against their interests in favor of the industrial North and East. Signs of disillusionment with the adequacy of ICC rate regulation have begun to multiply. The Senate Interstate Commerce Committee was told during its 1946 hearings on the Bulwinkle bill, which seeks to exempt railroad rate-fixing from the anti-trust laws, that the commission does not investigate the reasonableness of 1 per cent of the rates filed with it. This statement shocked Senator Wheeler, the member of that body most conversant with railroad problems, into the comment: "Then the Interstate Commerce Commission is not conforming to the law and not performing its duty."

And the Supreme Court several times recently has reprimanded this commission, which practically invented the practices and procedures of American regulatory administration, for failure to make its findings sufficiently clear so that the court could know what the commission had decided. The more liberal members of the court have grown suspicious not only of the commission's methods but also of its motives. Justice Black, dissenting in the 1943 decision of *ICC v. Inland Waterways Corporation*, said: "The issue in this case is whether the farmers and shippers of the middle west can be compelled by the Interstate Commerce Commission and the railroads to use high priced rail instead of low priced barge transportation for the shipment of grain to the east."

## II

WILLIAM N. LEONARD, recently transportation officer of the office of civilian requirements in the War Production Board, has produced a careful and effective documentation of the commission's failure in one of its statutory responsibilities, the administration of the consolidation provisions of the Transportation Act of 1920. In writing a consolidation plan into that act, Congress was primarily seeking to provide a method by which the weak railroads of the country could be kept in operation through merger with stronger roads. There was a widespread feeling that competition had been carried too far, and it was hoped that all the railroads in the country could be consolidated into from twenty to thirty-five strong systems. The Senate favored giving compulsory powers to achieve such consolidation, but the act as finally adopted merely authorized the commission to "prepare and adopt a plan for the consolidation of the railway properties of the continental United States into a limited number of systems." Carriers were authorized to effect consolidations in accordance with the plan, and with commission approval.

The failure of the consolidation program thus authorized was, of course, not wholly that of the ICC. There was a failure of Congress to think out more adequately the goals of a consolidation program. There was a failure of railroad managements to take anything other than a narrow view of their interests. There was a failure of an entire society which refused in the glittering twenties to believe that it was necessary to do much planning to get an efficient transportation system, or anything else for that matter. The comparison is not entirely a fair one, but it is worth noting that a comparable railroad consolidation program in Great Britain succeeded, between 1921 and 1923, in merging 120 separate railroad companies into four regional systems. Twenty-five years of floundering with consolidation in this country cannot be charged entirely to the fact that the mileage is twelve times as great and the country thirty times as large.

Leonard finds that in its handling of this responsibility the commission "displayed an utter lack of statesmanship." Dismayed at discovering that its first consolidation plan was

not unanimously welcomed, the ICC threw in the sponge and asked to be relieved of the duty of preparing a complete plan, recommending that the carriers be permitted to combine as they pleased, subject only to the approval of the commission. At no time did the ICC ask for authority to compel consolidations. It took the agency at least four years from the time it realized that carriers were escaping ICC review by obtaining control of properties through the medium of holding companies before it asked Congress to give it power to curb the activities of these companies. Then it took four more years for Congress to act, by which time the iron horses were long gone from the stables.

## III

THERE are some special factors which help to explain the poor record of the ICC in handling this particular problem. It was admittedly an overwhelmingly complex one, attitudes as to the desirability of consolidation were diverse, and the legislative foundation for action was weak. Then, too, the commission was "packed" during this period with five Harding appointees named in a single year who were either biased or inexperienced in railroad matters, and who brought its level of competence down to what was probably a new low. They included the president of a small southern railroad, a former chief counsel for shippers in the intermountain rate cases, a Republican journalist, and a silk merchant and past president of an organization of commercial traveling men. "None of these men," Leonard notes dryly, "could be expected to carry out forcefully a program of planned consolidation or for that matter to take the strong action required to halt the abuses of the combination movement."

But the failure of the commission on this assignment is also chargeable to deeper causes which are fundamental in the organization and functioning of this agency. One is the over-judicialized pattern of action which the ICC adopted from the beginning and did so much to develop into a tradition for American regulatory agencies. As a kind of specialized court its approach to regulatory functions has been inherently a passive one. Its procedures are geared to the processing of claims or rates

filed with it. Its organization is not well suited to the more active initiating and planning role.

Over-judicialization adds another handicap to that of passivity—the belief that an attitude approaching judicial aloofness and impartiality must be maintained. Thus the commission was unable to participate as an agent of the public interest in the rough and tumble of the battles over terms and conditions of proposed consolidations, but was limited to an *ex post facto* role of approving or disapproving plans already worked out in which large sums of money had already been sunk and important commitments made. Leonard suggests that

the public interest would have been better served and more unifications and consolidations promoted, if the Commission had been permitted to go outside formal proceedings and public records and to hold conferences with executives and security owners seeking by expert negotiations to bring about combinations of a desirable character (p. 281).

#### IV

THE second major reason for the commission's inertness, its inability to respond to the challenge of such tasks as the consolidation responsibilities of the Act of 1920, lies in the failure to grapple successfully with the organizational problem presented by its over-sized eleven-member board. This failure is a very far-reaching one, but for purposes of illustration the commission's position on the role of its chairman offers perhaps sufficient evidence. It is almost axiomatic that the successful operation of a board or commission, particularly a large one, demands some institutionalization of the leadership function best achieved through the delegation of special responsibilities to the chairman. Only in this way can responsibility be focused and initiative developed.

But the ICC has continuously and on the whole successfully fought the institution of a strong chairman. It is true that the commission began its life under the effective chairmanship of Judge Cooley, and from 1887 to 1910 followed the practice of retaining its chairman for the entire term of his service as a commissioner. Experience with the last of the three chairmen who served during this period appears to have been unsatisfactory, how-

ever, and after 1910 the chairmanship was rotated annually among the members in the order of their seniority. Professor Sharfman attempts to find a silver lining in this arrangement by arguing that it gave "an opportunity to each commissioner to acquaint himself with the business of the Commission in its more general aspects." The plan can no doubt be recommended as a method of in-service training, but it operates at the great cost of preventing the chairmanship from developing any special authority, any force which might drive the commission along, any dynamics of leadership.

James M. Landis has criticized the weak chairman, annual-rotation policy on regulatory commissions in these telling words:

The real danger . . . from the independent Commission lies in the possibility of inaction on the part of its members. Inertness may flow from the quality of the personnel of a Commission, but more frequently it flows from the lack of centralization of responsibility in the Commission itself. The practice adopted by the Interstate Commerce Commission of annually rotating its chairman, a practice followed by the Federal Trade Commission, means that the chairman is little more than the presiding officer at the meetings of the Commission. No particular responsibility attaches to that position and consequently no policy emanates from it. . . . In the absence of a permanent chairman, the internal organization of the agency tends to arrange itself so as to have no directing officer, so that though the agency is a repository of executive power, it actually has no executive. A change to the practice of a permanent chairman would do much to focus public responsibility. . . .<sup>1</sup>

The late Joseph B. Eastman, during his tenure as federal coordinator of transportation, came to a similar conclusion, and as part of the reorganization of the commission which he recommended to Congress suggested a strong chairman who would be relieved from the routine duties of other commissioners and charged with promoting the expeditious and efficient conduct of the agency's business and the improvement of its procedures. The commission, however, officially opposed the plan, contending that the early ICC experience with the permanent chairmanship idea had shown it to have serious drawbacks, and adding that the commission did not regard the "proposal for centralization of administrative powers in

<sup>1</sup> *The Administrative Process* (Yale University Press, 1938), pp. 116-17.



a single commissioner as a sound or desirable policy."

While Eastman thus appeared to have met complete defeat, by 1939 the agency was ready to compromise by adopting a three-year term of service for the chairman, which was pictured as a device making for "greater efficiency, while avoiding the disadvantages of an indefinite or continuing period of service." The change was implemented by gathering up administrative duties which previously had been scattered around the commission and concentrating them in one of the agency's five divisions, which the chairman was to head. Eastman himself was elected to the first three-year term, and he proceeded to use his new powers, as would be expected, effectively but judiciously and with due regard for the traditions of the commission. Evidence of his ability can be seen, for example, in the appropriations hearings for the fiscal years 1941 to 1943. While he was accompanied on each of these occasions by at least one other commissioner, he had complete charge of the presentation of the commission's case, and was able to make an extremely effective impression by his command of the situation.

It would have been interesting to see whether, at the expiration of Eastman's three-year term in 1942, the commission would have been misguided enough to scrap the executive abilities and the valuable experience Eastman

had gained as chairman by choosing some other member for the succeeding three-year term. In fact, of course, the commission was given no chance to make this choice, for with the establishment of the Office of Defense Transportation in late 1941 Eastman was appointed as its director. While he retained his membership on the commission, he went on inactive status and resigned the chairmanship. The commission then backslid into its traditional policy of annual rotation of the chairman's post.

Unless remedied the faults of over-judicialization and ineffective internal organization will continue to plague the ICC and to produce administrative failures of the character and importance described in Leonard's study. Responsibility for inaction on internal reorganization must rest with the commission. There is no indication that it has been impressed by the recommendations of the excellent and generally ignored 1944 report of the Board of Investigation and Research on commission organization, recommendations which have been recently restated in a report to the Senate Small Business Committee.<sup>2</sup> On the other hand, the ICC has a perfect alibi for continuing its over-judicialized procedures, an alibi which will serve as a complete excuse for years of frustration and inaction. That alibi answers to the name of the Administrative Procedure Act of 1946.

## The Promise of the American Corporation

By Avery Leiserson, University of Chicago

CONCEPT OF THE CORPORATION, by PETER F. DRUCKER. The John Day Co., 1946. Pp. ix, 297. \$3.00.

### I

PETER DRUCKER spent eighteen months during 1943-45 as a consultant, studying the organization and managerial policies of General Motors. This book is his attempt to relate that extraordinary experience to what he believes are the central problems of present-day industrial society. In his own words, he is filing an opening statement in what he hopes will be a lively and fruitful debate as to the role of the

large corporation in American life. This is no small task, but he brings to bear on his subject a perceptual equipment that encompasses the theoretical framework of institutional economics, social anthropology, and political science. The comprehensiveness of his approach is exemplified by the three basic questions

<sup>2</sup> Board of Investigation and Research, *Practices and Procedures of Governmental Control* (House Doc. No. 678, 78th Cong., 2d sess. [1944]); Senate Special Committee to Study Problems of American Small Business, *Transportation Program for Small Business* (79th Cong., 2d sess. [1946]).

upon which his analysis of the large corporation rests:

1. What are the business corporation's rules of internal structure, governed by its desire for survival, that explain its operative ideals or purposes; and what objective criteria arise out of these rules for evaluating its effective performance as an autonomous institution?

2. Does the corporation strengthen the allegiance of its own members as citizens to society by furthering in their own lives the realization of society's basic beliefs and promises?

3. How well does the corporation serve the interests of society in survival and stability at the same time it promotes its own; or, to what extent does its functional efficiency in achieving its own autonomous purposes conflict with the basic interests of the society which permits it to function?

These questions establish the political character of the book, and Drucker is careful to state his own political presuppositions. The corporation, he says, is the representative social institution of American life; it is the legal and economic organization of the large-scale, technically integrated production unit demanded by our technology. We cannot escape bigness in business, so the real question is not whether we want it, but what we want of it, and we should get on with the problem of determining what organization of big business is best equipped to serve the needs and demands of society. Distinguishing between big business as a technological fact and the corporation as a legal and social institution, Drucker observes that large-scale production organization is common to collectivist Russia, fascist Germany, socialist Britain, and capitalist United States, but that the distinctive feature of American capitalism is the genuine degree of legal autonomy and freedom to achieve its economic goals within a broad frame of governmental regulation that is denoted by our "concept of the corporation." Understand and accept the corporation, Drucker urges, not only because in legal and economic actuality it is now identical with the meaning of private property in a free enterprise system, but because nothing short of total catastrophe will make the overwhelming majority of the American people give up their belief that the free enterprise system more than any other enables them to realize the economic goals of a democratic society. Attempts to organize our economic and social system on any other basis will

"introduce into American society a tension between political belief and social reality, between the will of the people and their actions, which would compromise our national unity and paralyze our political and economic faculties" (p. 1). In this view intelligent social planning should seek so to organize society "that there is no temptation to enact, in the name of social stability or social beliefs, measures which are inimical to the survival and stability of its representative social institution" (p. 17).

I have not taken these quotations out of the context of the author's provocative prose solely in order to show that here is a conservative intelligence of Burke-ian proportions; or simply to draw attention to the elasticity of a concept of free enterprise that includes practically the entire arsenal of American governmental policies toward business; or even to suggest that the well-known favorable response of American opinion to the symbol "free enterprise" may not be so favorably associated with "corporation" or "monopoly." (Did not the president of one of our soap companies recently warn American industrial leaders "to stop making noises like a corporation?") It is important to have Drucker's position stated clearly, because he is sincerely attempting to establish an ideological framework of which we have not seen the last—one which assumes that the American corporation at last really visualizes its representative position and its responsibilities to other social and economic groups, and is prepared to act accordingly.

But the political corollary of this position is that unless legislative policy-makers act upon this assumption they will set forces in motion that will undermine the social harmony upon which our national power and prosperity depend. Furthermore, they will accelerate the trend toward bureaucratic collectivism implicit in the simple proposition that government should undertake direct responsibility for achieving full employment rather than for creating the conditions that will permit private enterprise to achieve it. Here is the central thesis of the *The Road to Serfdom* in language that political scientists can understand; and they must face it even if they find it unacceptable. In the American tradition the corporation, no less than government, is con-

tinually on trial against the test of public interest and satisfaction. No matter how representative and socially conscious the private corporation has become, we shall not simply assume its good intentions, but shall regard both the private corporation and public enterprise as instruments to be exposed and held accountable for the power they are required to exercise in the name of justice, freedom, and equality of opportunity.

## II

QUITE aside from differences over basic evaluations, the thoughtful reader has much to gain from Drucker. His mind operates on the assumption that there are no necessary conflicts in intellectual communication, and that the problems of social organization can be solved if we can obtain agreement on categories of thought that are sufficiently general to transcend personal "matter-of-fact" points of view conditioned by individual status and experience. Critical persons may comment that Drucker solves his troublesome problems by definition and logical argumentation rather than by testing his propositions in the light of their efficacy in explaining data acceptable as evidence. But this is not meeting him on his own ground, because to him ideas *are* evidence and logical analysis the appropriate tool of inquiry.

The first question to which the author addresses himself is the identification of those internal structural rules, and their basic ordering principle, that distinguish the large corporation and explain its typical motivation and behavior. Drucker finds these rules embodied in the General Motors policy of decentralization, the meaning of which exists in the organizational relationships between central management's control over policy and the several divisional managements' responsibility for operations. Recognizing that no clear line can be drawn between policy and operations, he believes these relationships are perhaps best expressed as concurrent spheres of responsibility coordinated by common understandings as to the proper role of each. Central management sets the manufacturing goals and price ranges for the divisions; appoints and removes the divisional managers; undertakes all responsibility for obtaining capital and for

handling labor negotiations and legal matters; prescribes uniform systems of accounting and reporting; and provides continuing research and staff services of a manufacturing, merchandising, statistical, or public relations character. Within this frame of policy, the divisional managements are their own bosses, making 95 per cent plus of the decisions which determine the quality and quantity of General Motors products, profits, and services. The performance of divisional management is measured by two objective yardsticks wielded by central management: (1) production costs measured in terms of those factors properly included in the product's "base price," and (2) the proportionate share of the annual sales obtained by each product in the potential market for which it competes.

Now this is undoubtedly a far too summary, oversimplified picture of the ordering principle of General Motor's decentralization policy. Roughly, however, on the basis of this picture, coupled with the observations that (1) central management has permitted federalistic variations in structure to develop among the scores of divisional managements, (2) that central management is vitally interested in maintaining the objectivity of the yardsticks measuring the efficiency of the divisional managements, and therefore *deliberately and as a matter of policy undertakes to maintain an uncontrolled market*, and (3) that the system as a whole is capable of producing a steady supply of managerial talent recruited by objective performance tests rather than by bureaucratic power fights and purges, Drucker reaches the conclusion that "decentralization has been proved to be a promising approach which seems capable of solving the institutional problems of the large corporation" (p. 129).

Second, what of the adequacy of the large corporation's performance as measured by its ability to enable its member-citizens to realize in their own lives and work the basic beliefs and promises of society? This is probably the crucial test of any social institution, and the author's application of it shows that he is thoroughly aware not only of the seriousness of the test but of the attempts to utilize it in management research over the last twenty years from the Western Electric experiments

to the work of the Chicago Committee on Human Development. Drucker defines the promise of American life as the belief in the uniqueness of the individual, requiring as conditions for its realization (1) equality of opportunities and (2) a socially respected status and a recognized function out of which the individual derives a sense of creative contribution in his work. He applies these values as criteria to General Motors' experience with the human factor in organization at the levels of the foreman and the factory worker. Unfortunately, this analysis is the least satisfactory part of the book. Perhaps this is because his conclusions are negative, but I think the reason lies in the essentially indeterminate character of his conception of the corporation's labor policy and the role of union organization in mass production industry. At any rate, Drucker finds that both foremen and factory workers lack the vital sense either of equality of opportunities or of recognized status and function. He then proceeds to a description of several isolated experiences during the war characterized by vastly improved labor relations and ends with some random suggestions as to how the "new job of labor relations" can be approached in terms of imagination and changed attitudes on the part of both management and labor. His one definite conclusion is that collectivism (involving more centralized organization), either as state socialism or state capitalism, has no relevance to these basically political problems. Otherwise his statements are largely hortatory.

For example, "a solution of the problems of equal opportunities and of citizenship in industrial society is in the interest of the large corporation itself" (pp. 205-206); and, "it is also necessary that the worker understand the management's job and its angle of vision. Today that may perhaps be even more important than that management understand the worker. Otherwise labor will neither respect nor support the managerial function; and modern industry, which is based on organization, cannot work unless management is left respected and undisturbed in the exercise of its job" (pp. 197-98). Such statements confirm general reports of a dangerous lack of agreement and understanding between the status levels in General Motors as to the meaning and pur-

pose of human effort below the executive personnel. The inference is that the same lack of unity characterizes society itself, since the large corporation is our *representative* institution.

The author's third inquiry is the extent to which the external conditions necessary to the corporation's efficiency and prosperity are in harmony or in conflict with the primary requirements of social stability and prosperity. Briefly, Drucker's conclusions are: (1) bigness is required in the interest of economic efficiency in modern industrial society, and the essential factor in large-scale operations, managerial organization, is not in conflict with the interests of society provided that organization is not too large for "effective decentralization"; (2) profit fulfills the economic functions of a risk premium and a yardstick for expansion under any system of economic organization (including the communist with its "planned prices"), so that the real questions society has to determine are whether it wishes to have its economic decisions made in terms of the impersonal yardstick-thermometer of the price system or by a governmental administrative organization guided primarily by political expediencies, and whether the meaning of economic freedom is better expressed through the individual's choices in the market plus his influence in political organization rather than *solely* through the latter; and (3) the future of the free enterprise system depends upon its ability to solve the problem of mass cyclical unemployment and to maintain a constantly expanding economy. This must be achieved, under a free enterprise system, by understanding among business, labor, and government leaders and agreement among them on a fiscal and tax policy which encourages larger profits but provides for employment-creating contingent funds (set aside from current profits) to be spent on a planned capital investment program to be accelerated in depression years. Corporate organization and profitability are not inimical to social survival and stability, but can be made the basis of both economic expansion and full-employment policy, provided there is agreement on the line of government policy for encouraging profit-making and effectively guiding profits into capital goods expenditures that create employment.

If we can agree on these fundamentals,



Drucker seems to be saying, American society contains within it the institutions and skills upon which a form of industrial federalism can be built that is thoroughly compatible with the political values and the geographical federalism of the Founding Fathers.

### III

THE essence of Drucker's thought perhaps may be expressed by saying that he uses the symbolism and logical apparatus of social Darwinism in the attempt to persuade the believers in private enterprise to take over the slogan of full employment. While explicitly rejecting Herbert Spencer, he adopts the essential Spencerian ideas: social harmony based upon business autonomy as the primary objective of public policy; the two spheres of economics as the automatic regulator of impersonal competitive forces in the market, while politics is centralized bureaucratic collectivism animated by personal ambition and political expediency; the proper role of government to establish and protect the limits within which free enterprise and the market can operate without political interference. But the test comes in his program of government action, and Drucker's brilliant effort to unite (1) the disbelievers (the users of the ideology of free competition for their own purposes), (2) the true believers, and (3) the unbelievers (or unconvinced), through the dialectic of transposing a belief in governmentally uncontrolled competition into a governmentally guided program of full employment, does not quite come off. This is perhaps best illustrated by the author's treatment of price policy and labor policy.

In his treatment of price policy he argues that size, diversification, and centralized research enable the large corporation to produce more efficiently and cheaply than the small productive unit possibly could. He cites Henry Ford as having shown that, under conditions of modern technology, maximum profit is obtained by maximum production at minimum cost. But Ford's share of the automobile market fell from almost 50 per cent to about 20 per cent in twenty years, while General Motors' share was rising from 25 to more than 45 per cent. There is no evidence to indicate that G. M.'s central management believes that its

success and long-range interests will be promoted by following the low-price policy long identified with Ford. Drucker simply neglects to consider the problem that arises when the large corporation deliberately chooses not to generalize the benefits of efficiency to the general public in the form of lower prices. So the true believer in competition may well be dissatisfied when the program-maker fails to include on his agenda of public policy such alternatives as patent reform, breaking up large concentrations of financial control over different lines of enterprise, improving antitrust procedures, or simply urging that corporate management follow a low-price policy.

Again, it must be Drucker's conception of his mission and his audience that leads him, in his treatment of labor policy, to minimize the extent to which the structure of corporate bigness and centralized control of labor policy underlie the rise of mass labor organizations. It may have been the objective of G. M. labor policy to maintain equality of opportunity and to promote the sense of status and function among its employees before the advent of the United Automobile Workers (which in itself was evidence that many employees did not think it had), but it is highly questionable whether such criteria have been or could be the primary objectives of union-management relations under a system of true collective bargaining, where different standards of evaluation have to be applied. On this point Drucker has simply not faced the political facts of corporate structure and union organization frankly, and he might be charged with failure to state clearly the political implications of his implied conclusion that both corporation and union have failed in their labor relations job. No treatment of the social performance of the large corporation is adequate which fails to take into account the institutional structure of employer and employee relations, including the mutual obligations accepted by the parties as to the scope and purpose of collective bargaining and the machinery for contract negotiation and administration. Drucker has subsequently attempted to fill this gap in a series of three articles that appeared in *Harper's Magazine*, November, 1946-January, 1947, under the general title "The Way to Industrial Peace." It is worth

noting that his recommendations there of public-utility status for large unions in mass production industries, coupled with some kind of compulsory arbitration, do not take into account their effects on the efficiency of social performance of the large corporation, nor are they suggested with any confidence that they will promote among wage earners the basic beliefs and promises of society.

The promise of the corporation, then, as reported by Mr. Drucker, consists of an invitation to have faith in the good will and judgment of its owners and managers, a broad recommendation for governmental regulation of trade unions, and a plea for a full employment policy based upon the corporation's willingness to invest its profits if encouraged

by a proper exercise of the taxing power to enable it to follow a voluntary "compensatory" investment policy. Glad as we are to receive his testament of faith, his program of a conditional offer of full employment from the large corporation, predicated upon a favorable treatment of corporate profits and inaction in the monopoly question, seems rather out of balance with the stiff suggestions for regulation of unions. But the two programs should be considered in relation to each other; clearly negotiations should not be broken off. Perhaps agreement can be reached *through the political process* on a more balanced program of commitments and obligations on the part of the large corporation, the large union, and big government.

## International Economic Organization

By Alfred Fernbach, University of Virginia

THE ECONOMIC AND FINANCIAL ORGANIZATION OF THE LEAGUE OF NATIONS, by MARTIN HILL. Carnegie Endowment for International Peace, 1946. Pp. xv, 168. \$2.00.

THE amazing energy and speed with which the United Nations has been developing new international machinery for coping with common economic and social problems contrast sharply with the timidity and reluctance encountered in this field by the League of Nations a quarter of a century ago. Yet the relative ease with which the Economic and Social Council and the specialized agencies of the United Nations are being established is in large measure the direct result of the growing appreciation of the necessity for a much greater degree of international cooperation than was achieved during the interwar years, and the ability to capitalize on the knowledge and experience accumulated by the League's specialized agencies, such as the Economic and Financial Organization.

The story of the experience of the Economic and Financial Organization has been ably related by Mr. Hill. As a member of the Economic, Financial, and Transit Department of the Secretariat, Mr. Hill was directly associated with the work he describes.

After sketching briefly the pre-1914 experiments in international organization and inter-Alleied economic cooperation during World War I, Mr. Hill describes the creation of the Economic and Financial Organization of the League. The major portion of the book is devoted to an examination of the actual work performed by the Organization during the three phases of its history: the years of reconstruction, recovery, and advance from 1920 to 1929; the ten years of depression and international disintegration which preceded World War II; and the war years.

### I

THROUGHOUT his study Mr. Hill sets forth certain basic observations and conclusions derived from the concrete operations of the Organization. It is clear that the changing structure of the agency and its range of functions reflected the degree to which the national governments were willing to accept the implications of the increasing interdependence and complexity of international economic affairs. In turn, the activities of the Organization advanced their awareness of this complexity.

Some of the experiences of the Economic and Financial Organization so parallel those

of other bodies of a similar nature that the conclusions to be drawn from them probably could be widely confirmed. During the first half of its existence greater use was made of the international conference than in later years. Because the international conference usually could not be expected to work out agreements but only to adopt final texts of solutions the broad lines of which had been previously evolved and agreed upon among the major powers, great stress was placed on sufficient preliminary negotiation and preparation of the groundwork for the conference at the committee level or through the Secretariat.

The responsibility of the staff for satisfactory preparatory work emphasized the importance of sound research and reporting. The whole League took justifiable pride in the competence and integrity of its research in the belief that the determination of policy must be based on thorough and objective study of the relevant facts and analysis of the issues by a disinterested, well-trained staff. Such research was best undertaken before the question under consideration reached the committee or conference stage where the facts might be blurred by national representatives whose purpose was to produce a compromise solution.

Mr. Hill outlines the limitations encountered by the Organization in employing the multilateral convention for general agreements. Such conventions usually had to be framed in broad terms, and those important provisions on which no agreement could be reached were subject to reservations or were omitted altogether. In addition, the degree of reform which the parties would accept was often measured by the conditions in the more backward states or by those most reluctant to sacrifice what they conceived to be their national interests. The effectiveness of the international convention was further hampered by the fact that enforcement by one state usually hinged on proper enforcement by others, and by the usual uncertainties of ratification.

Therefore, as the Organization turned its attention more and more to major problems of national economic policy or to matters calling for coordination or gradual assimilation of national policies instead of uniform and

generally applicable solutions, new methods were employed. These were, according to Mr. Hill, the conference limited to states especially concerned with a particular problem, as the London Wheat Conference of 1933; the drafting of model conventions, as on the issue of double taxation, which served as guides for bilateral agreements; and the drafting of standards of national legislation on matters on which states were not yet ready to accept formal international agreements. The Organization enjoyed considerable success in its application of all these methods.

Both the prevailing ideas about the economic functions which a state ought to perform and the economic operations in which the state is actually engaged in the various countries tend to limit the area of intergovernmental cooperation in economic matters. Those tending to discourage state activity in economic matters often greatly limit the possibility of arriving at international solutions of common economic problems. The desire of the United States, for example, to return rapidly to private enterprise and the general dissolving of wartime economic controls made it almost impossible in 1919 for governments to meet the problems of economic recovery and rehabilitation at the level of international cooperation with more than charitable measures.

During the depression the state increasingly superseded the private individual trader in determining international trade policy, and there was a growing recognition that complex and interrelated economic and financial problems could not be solved at the international level simply by a frontal attack on trade barriers. Consequently a new attitude began to emerge. There was a departure in a few instances from the arbitrary exercise of national sovereignty in economic matters. Although the trend toward economic nationalism in the depression often thwarted international economic cooperation, there was an increasing awareness of economic interdependence, the necessity for common solutions to basic economic problems, and the desirability of international consultation and joint action on matters formerly considered purely domestic. This fact accounts for the broadening of the scope of research and operations of the Economic and Financial Organization. The new

attitude is still in process of emerging, but already it is possible for the United Nations to establish international machinery for cooperating on a variety of economic matters at the international level which only the most fanciful dreamer would have contemplated in 1920.

Ultimately the Organization found that the technical solution of many major international problems depended upon political factors. If the international political situation provided some appearance of stability and security, it was much easier to advance toward effective agreements on economic matters. Since the League of Nations had as its primary objective the maintenance of peace, its economic programs were also aimed at the development of peaceful relations because intense economic rivalry eventually may lead to militarism and sap the will to cooperate. Obviously the factor which most hampered the economic work of the League was the failure of its parallel political action.

## II

**I**N A great many respects the structure of the United Nations Economic and Social Council is based upon the patterns developed by the technical organizations of the League. Mr. Hill asserts that the Council in its conception is almost identical with the Central Committee which in 1939 the League had decided to constitute.

By that date the Economic and Financial Organization had developed into the largest of the League's technical organizations. The Provisional Economic and Financial Committee, created by the League Council in October, 1920, as a result of the recommendations of the Brussels Financial Conference, was composed of the economic section and the financial section, each with ten members. It was not until 1923 that the Fourth Assembly established the Economic and Financial Committee on a permanent basis. The Organization was gradually expanded as the range of its activities increased, and it was invited to exercise more initiative as the Council and Assembly of the League became convinced of its competence and relaxed many of their formal controls over its work.

By 1939 the Organization consisted of the coordination committee, the four standing

committees—namely, the economic committee, the financial committee, the fiscal committee, and the committee of statistical experts—the subcommittees of the standing committees, the special *ad hoc* committees, and the Secretariat. The Assembly of the League discussed the economic and financial questions in its Second Committee and laid down the broad lines of policy and work for the technical committees, and the Council appointed the members of the technical committees, received their reports, approved their proposals for future action where necessary, and was, in general, responsible for supervision.

The coordination committee, established by the Council in May, 1938, consisted of the chairman, the Council *rapporteurs* on economic and financial questions, representatives of the economic and financial committees, the chairman of the two other standing committees, and the representative of the Communications and Transit Organization. It was responsible for coordinating the work of the committees, for allocating the tasks assigned to the Organization to the appropriate committees, and for initiating proposals for submission to the League Council or Assembly. The members of the standing committees were appointed in their personal capacities as experts and not as representatives of their governments, and no country was represented by more than one member on each committee. The terms of the members were set at three years in order to provide for rotation, and in 1927 a new category of members was established in the economic committee—the corresponding members. The institution of this category permitted the committee to retain the cooperation of retiring members who automatically became corresponding members and to increase the number of countries in direct relationship with the committee. Corresponding members were later added to the other committees.

Mr. Hill emphasizes the role of the Secretariat, pointing out that it "has naturally played a preponderant role in all the work of the Organization." Much of the credit for the high quality of performance by the Secretariat should go to Sir Arthur Salter who was director of the Economic and Financial Section from 1922 to 1931, and to Mr. Alexander



Loveday who headed the Economic Intelligence Service and, after 1938, the entire Secretariat of the Organization. With the reorganization of the League Secretariat in 1939, the staff of the Organization was expanded to include the Communications and Transit Section which had been closely associated with the economic and financial work, and Mr. Loveday was made director of the unified Economic, Financial, and Transit Department.

Much of the initiative for the work of the Organization stemmed from the permanent officials of the Secretariat. The committee members, who were experts engaged in handling from day to day the problems on which they were reporting, were well qualified to perform their tasks, but they usually devoted only a few days or weeks to the work of the Organization while the permanent officials, selected because of their special aptitudes, devoted full time to their tasks. These officials collected and digested the materials on which the committees worked, largely guided committee discussions, submitted drafts for the committee reports, maintained contacts with the national governments and other agencies, often undertook such preliminary negotiations with the governments as were required, and carried out the bulk of the research program. In the performance of these functions, they developed good teamwork and the high sense of responsibility generally characteristic of the whole League Secretariat.

By 1939 several factors prompted the Council of the League to set in motion an investigation of the relationship of the whole technical work of the League to its political functions. A number of the member states felt that the close link between the political machinery and the economic and social activities was becoming an increasing handicap for these activities as the world political situation deteriorated. There was also some belief that the Council and the Assembly were so absorbed with political questions that they were not fully suited to guide the technical work. Since the members of some of the committees such as the economic committee were mostly high governmental officials, they were able to assure a large measure of liaison with national administrations on interadministrative ques-

tions. But where problems of national economic policy were involved, the need was felt for closer association with groups directly affected by and influential in making policy, such as industry, labor, agriculture, and commerce. Moreover, while it was impossible to induce the Axis powers to cooperate in League activities, it was felt that a better basis of cooperation and participation in the technical work of the League might be found for other nonmember states, such as the United States and Brazil, who desired to continue to cooperate in the activities of the technical bodies. Finally, it was hoped that with greater autonomy the character of the technical work could be broadened and the long-range point of view fostered.

The investigation was undertaken by a committee appointed by the Council and headed by Mr. S. M. Bruce of Australia. The report of the Bruce Committee, approved by the Assembly in December, 1939, provided for the establishment by the Assembly of a new organ, the Central Committee for Economic and Social questions. The committee was to consist of twenty-four government representatives and not more than eight coopted members who were to be appointed in a personal capacity because of their special competence and authority. The Central Committee was to have taken over the main functions of the Council concerning the League's economic and social work, and the Secretary-General was charged with the task of providing a separate budget for this work. It was hoped that the Central Committee would achieve greater coordination and integration of the economic and social activities of the League, eliminate overlapping, and develop closer liaison with the International Labor Organization and similar bodies. Another function of the committee was to provide better direction of these activities and to improve publicity for the work of the agencies in order that greater popular understanding and mass support might be obtained. Finally, the establishment of the Central Committee was supposed to afford states not members of the League with a better opportunity to cooperate in the direction and supervision of the work. Provision was made for the service of representatives of such states on the Central Committee.

The Central Committee was to have been appointed by the President of the Assembly in consultation with the Secretary-General. The government representatives were to have been "persons of government rank directly concerned at home with the subjects of international discussion," such as ministers of commerce, finance, agriculture, and public health, but not diplomats or ministers of foreign affairs. The coopted members were to have been eminent individuals of worldwide reputation and influence in their specialized fields. The report of the Bruce Committee provided for the adoption of the majority principle in the decisions of the Central Committee.

Although political developments prevented the execution of this scheme, it is clear that the report of the Bruce Committee was very valuable in determining the proper relationship of the social and economic functions to the political functions of the United Nations. The Charter of the United Nations establishes an Economic and Social Council as one of the principal organs of the organization and gives this council a very large measure of autonomy. It is responsible directly to the General Assembly, and its eighteen members are elected for terms of three years by the Assembly. The terms overlap, six members being elected each year. Retiring members are eligible for reelection. Each member of the council has one vote, and decisions are made by a majority of members present and voting.

The functions and powers of the council are broad. It may make or initiate studies and reports with respect to the whole range of economic and social matters, and may make recommendations with respect to such matters to the General Assembly, to the members of the United Nations, and to the specialized agencies. It may prepare draft conventions on these matters for submission to the General Assembly, and it may call international conferences on matters falling within its competence. The council is also charged with the function of coordinating activities of specialized agencies with which it may enter into agreements, and it may make recommendations to such agencies and receive reports from them. It may furnish information to the Security Council and assist that body upon its request. It may carry out such functions as

are assigned to it by the General Assembly, and, finally, it may, with the approval of the General Assembly, perform services at the request of the members of the United Nations and at the request of specialized agencies. The council has arranged to meet frequently, and it has set up a number of its own commissions as authorized by Article 68 of the Charter.

The individuals representing the eighteen member states of the council are generally persons of special competence in the work of the council. By the end of the third session in October, 1946, the council had established nine commissions to deal with specialized tasks. Among these are the economic and employment commission, the transit and communications commission, the statistical commission, the fiscal commission, and the population commission. The council elects from twelve to eighteen states to be represented on the commissions, and these states in turn nominate the individuals to serve, after consultation with the Secretary-General, and bearing in mind the desirability of securing balanced representation in the various fields covered by each commission. These nominations must be confirmed by the Economic and Social Council, and it is expected that the states will nominate individuals on the basis of their special capacities for performing the work of the commissions.

In recognition of the importance of a well-balanced and expanding economy for the maintenance of world peace, the council has established under the economic and employment commission a temporary subcommission on economic reconstruction of devastated areas, and two standing subcommissions, one on employment and economic stability and the other on economic development.

Already, negotiations have been completed between the Economic and Social Council and a number of specialized agencies in order to bring these agencies into relationship with the United Nations organization. The council established a committee on negotiations with specialized agencies to perform this function. By November, 1946, draft agreements had been signed with the International Labor Organization, the Food and Agriculture Organization, the Provisional International Civil

Aviation Organization, as well as the United Nations Educational, Scientific and Cultural Organization.

During its third session, the Economic and Social Council appointed a standing coordination committee, consisting of the Secretary-General and the parallel officers of the specialized agencies brought into relationship with the United Nations, to insure the fullest and most effective implementation of the agreements reached between the United Nations and the specialized agencies.

A committee on arrangements for consultation with nongovernmental organizations has also been established, and the organizations which have thus far been given consultative status are the World Federation of Trade Unions, the American Federation of Labor, the International Cooperative Alliance, and the International Chamber of Commerce.

To assist the Economic and Social Council and its constituent parts in the performance of their economic activities, a Department of Economic Affairs has been organized within the Secretariat of the United Nations. Sections of the department are being established to correspond to the commissions of the Economic and Social Council dealing with economic matters. Mr. David Owen, of the United Kingdom, is the Assistant Secretary-General in charge of the department. We may assume that he will direct a staff much larger than its predecessor in the League of Nations. A number of the members of the League of Nations staff have already been brought into the department where their experience will naturally prove most valuable.

### III

ALTHOUGH much progress has already been made in establishing the United Nations machinery for carrying on international economic and social activities, and a number of the agencies are already performing notable services, there are certain problems still to be adequately dealt with by the Economic and Social Council. How well the council can handle the problems of coordination and prevent duplication of activities remains to be seen. If the new coordination committee develops into an instrument of regular consultation with the heads of the specialized agen-

cies and the council's commissions, it may be able to solve many of these problems. There is, however, the danger of too close scrutiny of the day-to-day activities of the specialized agencies.

The wide range of very important questions facing national governments at this time has made them reluctant to release competent personnel to the organs of the United Nations and especially to serve on the Secretariat. Without adequate personnel, as well as financial support, the best plan for international economic and social cooperation will produce few results. It is especially necessary to attract competent young people to careers in the secretariats and to secure broad representation of the various nationalities in these bodies.

Much still remains to be done to gain sufficient publicity for the work of the Economic and Social Council. Thus far its important activities have been overshadowed in the press by the political events in the Security Council.

In carrying on its great range of activities it is important that the council maintain direct and regular contact with responsible authorities of the national administrations. Early in the history of the League's technical work, Sir Arthur Salter established the principle of such direct contact, bypassing, where possible, foreign offices. By such direct contact national officials may be enabled to develop a common body of knowledge on international economic and social problems, and mutual trust and respect for each other. In view of the multiplicity of national agencies now concerned with international problems, there is a pressing task, for which national administrations are responsible, of developing adequate national machinery for the formation and coordination of national policy with respect to international activities.

Finally, the relationship between international cooperation for the solution of common economic and social problems and the solution of outstanding international political problems must be borne in mind. While failure in the political field will again hamper the work in the economic and social fields, successful, close cooperation on economic and social matters will directly facilitate the achievement of greater political harmony.

# News of the Society

Harold D. Smith, president of the American Society for Public Administration in 1941, whose career in government included work with municipal, state, federal, and international agencies, died suddenly of a heart attack on January 23. With his death, the country loses one of its ablest public servants, and one who had taken a leading part in developing administration as a science and as a governmental career.

Mr. Smith, who at the time of his death was acting president of the International Bank for Reconstruction and Development, served for seven years as director of the budget. He was called to head the Budget Bureau when it was transferred from the Treasury Department to the Executive Office of the President. He built it up to meet the severe demands of the national defense emergency and the World War, putting new emphasis on its work in the fields of administrative management and the development of international organizations.

Mr. Smith came to the federal service from the state of Michigan where he was budget director from 1937 to 1939. Earlier he had been director of the Michigan Municipal League and, in 1933-34, president of the American Municipal Association. Before that time he had worked with the Detroit Bureau of Governmental Research, the League of Kansas Municipalities, and the Michigan Municipal League. He held a Master's degree in public administration from the University of Michigan.

## CHAPTER NEWS

### *Alabama*

The Alabama Chapter met on November 20 in Montgomery to hear Luther Gulick, director of the Institute of Public Administration and past president of the Society, talk on "Dogmas of Public Administration." About seventy-five members and guests attended the dinner and engaged in the discussion of emerging doctrines of administration.

### *California—San Francisco Bay Area*

Leslie Lipson, director of the School of Public Administration and head of the political science department, University of New Zealand, spoke before the San Francisco Bay Area Chapter November 15 on "Postwar Developments 'Down Under.'"

For the January 8 meeting an invitation was extended by the San Francisco group to members in the Sacramento area. The speaker was Joseph P. Harris, professor of political science at the University of California, Berkeley, who discussed "The Reorganization of Congress," emphasizing the effect of this reorganization in enabling Congress to cooperate with the Administration.

### *Southern California—Los Angeles*

The Southern California Chapter was one of the sponsors in arranging for the Joint Conference on the Merit System in Government held on December 7 in Los Angeles. Members who helped in the arrangements and preparations and who participated in the conference included: John Steven, personnel commission, Los Angeles City Schools; William C. Jones, president, Whittier College; George C. S. Benson, Claremont College for Men; L. B. Travers, Los Angeles Board of Education; Arthur Hohmann, Los Angeles City Police Department; Harry T. Callahan, State Personnel Board; John Vieg, Pomona College; Peter Keplinger, U. S. Department of Agriculture; Clifford N. Amsden, Los Angeles County Civil Service Commission; Muriel Morse, Los Angeles City Civil Service Commission; John F. Fisher, California State Personnel Board; Thadene Hayworth, Metro-Goldwyn-Mayer.

On January 15 a dinner meeting was held at the Rosslyn Hotel for a program called "Review of the Governments" consisting of five reports on significant administrative developments in 1946 in five separate types of jurisdiction. Speakers at that meeting included



Frank Stewart, University of California at Los Angeles; James Nielson, U. S. Civil Service Commission; Will Baughman, California Taxpayers Association; J. M. Lowery, county auditor; Patricia Livingston, Los Angeles City Civil Service Commission; Paul Webb, Los Angeles City Board of Education.

#### Connecticut

At its December 3 meeting the Connecticut Chapter elected the following new officers for 1947:

*President*—Arthur L. Knoblauch, University of Connecticut

*Vice President*—John DeWitt Norton, Yale University

*Secretary-Treasurer*—Genevieve V. Krawczyk, Connecticut Insurance Department

*Council Members*—Carter W. Atkins, Public Expenditures Council

Robert L. Duffy, Hartford Department of Finance and Budget

Stanley H. Osborne, Connecticut Health Commissioner

#### District of Columbia

The Washington, D. C. Chapter held a dinner meeting November 13 at which deputy housing expediter Joseph L. Rauh spoke on "The Veteran's Emergency Housing Program."

On January 8 the Chapter met at dinner to hear Seldon Chapin, director general of foreign service, Department of State, speak on "Reorganization of U. S. Foreign Service." Mr. Chapin described the current program to reorganize foreign service on a sound basis, emphasizing the purposes and effects of the Foreign Service Act of 1946.

Charles E. Johnson of the Federal Public Housing Authority has been appointed secretary of the Chapter for 1947.

#### Kentucky

The role of the government attorney in relation to the government administrator was the subject under discussion at the November 12 meeting of the Kentucky Chapter. Members of the panel included Paul Oberst, professor of administrative law; Gladys Kammerer, assistant professor of public administration, both of the University of Kentucky; Emmett Mittlebeeler, assistant state attorney

general; E. E. Pfanstiel, deputy commissioner of highways.

At the December 10 annual meeting, discussion centered on budget controls and related problems. The panel for discussion included Vera Briscoe, research associate, University of Kentucky; Fred Benckart, Lexington finance director; F. L. Phillips, acting state budget director; and Ervin Rothenbuler, budget officer, U. S. Public Health Service Hospital.

Chapter officers elected for 1947 are as follows:

*President*—Norman Lindquist, U. S. Public Health Service Hospital, Lexington

*First Vice President*—Orville M. Howard, Kentucky commissioner of revenue, Frankfort

*Second Vice President*—Fred J. Benckart, Lexington director of finance

*Secretary-Treasurer*—Vera Briscoe, research associate, University of Kentucky

*Chairman, Program Committee*—Ashton E. Gorton, U. S. Public Health Service Hospital

*Chairman, Membership Committee*—William L. Smith, Kentucky director of personnel

#### Minnesota

The annual meeting of the Minnesota Chapter was held December 16. Walter Finke, executive vice president of the Minneapolis Civic and Commerce Association, spoke on "Some Lessons in Administration from War Time Operation," drawing mainly on his experiences in the Navy. Professor William Anderson described the new research project at the University on the Intergovernmental Relations of Minnesota.

Officers elected at the December 16 meeting to serve for 1947 are:

*President*—Harold Henderson, executive director of the Minnesota Institute of Governmental Research

*Vice President*—Victor Christgau, director, Minnesota Division of Employment Security

*Secretary-Treasurer*—Robert Stover, director, Minnesota Civil Service Department

*Council Members*—Walter Hager, regional

business manager, U. S. Employment Service

Nathan Harris, Minneapolis research engineer

Eckart Wipf, branch personnel office, Veterans Administration

#### *New York—Capital District*

On November 14, members in the Albany-Schenectady area met to discuss "Employee Organizations in the Public Service," considering such issues as the right of employees to organize, proper channeling and handling of grievances, methods of negotiating with more than one organization, the appropriate fields for management-employee negotiation, and how management can use employee organizations effectively to improve operations. Frederick Bullen chaired the meeting. Speakers included H. Eliot Kaplan, National Civil Service League, and Sterling D. Spero, New York University.

On December 10 the Chapter met jointly with the local members of the American Statistical Association for a panel discussion of "Local Statistics from the Viewpoint of the State Departments." Members of the panel included Frank J. Corr, Jr., Department of Audit and Control; Morgan Strong, executive secretary, New York State Conference of Mayors; Edward F. N. Uthe, executive secretary of the Association of Towns; Wayne W. Soper, Department of Education; David M. Schneider, Department of Social Welfare; Sylvia Parker, Department of Correction; Vera R. Kilduff, Department of Commerce; Chester B. Pond, Department of Taxation and Finance.

#### *New York—Metropolitan Area*

At the December 17 meeting of the New York Metropolitan Area Chapter members heard speakers from the United Nations Secretariat: Mary G. Smieton, personnel director, on "Personnel Problems of the United Nations"; and H. C. Elvins, comptroller, on "Fiscal Control in the United Nations."

#### *Oregon*

The Oregon Chapter met November 21 to discuss "Installing a State Civil Service Program." The State Civil Service Act of 1945

provided for the establishment of a consolidated civil service system to supersede the four merit systems partially covering state employees. The principal speakers at this meeting were William G. Colman, director, Oregon Civil Service, and Robert Johnson of Public Administration Service who directed the establishment of the classification and pay plans.

On December 20 the meeting was concerned with "Recent Developments in Organization and Methods Work" with Verne B. Lewis, Bonneville Power Administration, as principal speaker.

New officers elected for 1947 are:

*President*—John F. Richardson, Bonneville Power Administration

*Vice President*—Deane Seeger, city manager, Eugene

*Secretary-Treasurer*—Howard Ennor, Bonneville Power Administration

*Directors*—Verne B. Lewis, Bonneville Power Administration

Pauline Maris, Bureau of Municipal Research and Service

Charles McKinley, Reed College

Eldon Johnson, University of Oregon

Herman Kehrl, Bureau of Municipal Research and Service

#### *Wisconsin*

The Madison Chapter held a meeting December 13 to discuss "Legislative Organization and Procedure—Federal and State." Those who participated in the panel were Edwin E. Witte, department of economics, University of Wisconsin; Wilbur R. Voigt, secretary to Senator Robert M. La Follette, Jr.; Lynton K. Caldwell, director of research and publications, The Council of State Governments; and Gustave W. Buchen, member of the Wisconsin State Senate.

#### INTERNATIONAL CONFERENCES, 1947

The following international meetings will be held next summer: Eighth International Management Congress, Stockholm, July 3-8; Seventh International Congress of Local Authorities, Paris, July 7-12; International Congress on Administrative Sciences, Berne, July 22-30; International Exposition of Urbanism and Housing, Paris, June 1-July 15.

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